

## NATURAL RESOURCES

Budget Summary							
Fund	2014-15 Base Year Doubled	2015-17 Governor	2015-17 Jt. Finance	2015-17 Legislature	2015-17 Act 55	Act 55 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$273,887,200	\$231,664,400	\$226,858,100	\$226,858,100	\$226,858,100	- \$47,029,100	- 17.2%
FED	165,072,200	162,470,500	162,155,700	162,155,700	162,155,700	- 2,916,500	- 1.8
PR	70,995,400	71,872,800	71,555,800	71,555,800	71,555,800	560,400	0.8
SEG	<u>639,754,400</u>	<u>638,661,900</u>	<u>656,866,200</u>	<u>656,866,200</u>	<u>654,824,400</u>	<u>15,070,000</u>	2.4
TOTAL	\$1,149,709,200	\$1,104,669,600	\$1,117,435,800	\$1,117,435,800	\$1,115,394,000	- \$34,315,200	- 3.0%
BR		\$21,000,000	- \$75,350,000	- \$75,350,000	- \$75,350,000		

FTE Position Summary						
Fund	2014-15 Base	2016-17 Governor	2016-17 Jt. Finance	2016-17 Legislature	2016-17 Act 55	Act 55 Change Over 2014-15 Base
GPR	277.20	231.52	230.02	230.02	230.02	- 47.18
FED	494.59	479.84	479.84	479.84	479.84	- 14.75
PR	247.14	244.64	243.89	243.89	243.89	- 3.25
SEG	<u>1,623.11</u>	<u>1,618.95</u>	<u>1,595.35</u>	<u>1,595.35</u>	<u>1,595.35</u>	<u>- 27.76</u>
TOTAL	2,642.04	2,574.95	2,549.10	2,549.10	2,549.10	- 92.94

### Budget Change Items

### Departmentwide

#### 1. STANDARD BUDGET ADJUSTMENTS

**Governor/Legislature:** Provide adjustments to the base budget totaling \$1,870,300 in 2015-16 and \$1,981,200 in 2016-17 as follows:

(a) -\$3,177,700 annually for turnover reduction (-\$289,800 GPR, -\$580,900 FED, -\$118,700 PR, and -\$2,188,300 SEG); (b) -\$1,064,200 (-\$235,000 GPR and -\$829,200 SEG) in 2015-16 and -\$1,125,600 (-\$235,000 GPR, -\$61,400 FED, and -\$829,200 SEG) in 2016-17 for removal of non-continuing elements from the base; (c) \$2,685,200 annually

GPR	\$662,300
FED	- 304,900
PR	1,097,000
SEG	<u>2,397,100</u>
Total	\$3,851,500

(\$807,600 GPR, \$394,800 FED, \$659,200 PR, and \$823,600 SEG) for full funding of continuing salaries and fringe benefits; (d) \$3,193,800 annually (\$8,000 PR and \$3,185,800 SEG) for overtime; and (e) \$233,200 (\$35,300 GPR, \$47,000 FED, and \$150,900 SEG) in 2015-16 and \$405,500 (\$61,400 GPR, \$81,700 FED, and \$262,400 SEG) in 2016-17 for full funding of lease and directed moves.

## 2. POSITION REDUCTIONS [LFB Paper 450]

**Governor:** Delete \$5,024,400 annually (\$86,300 GPR, \$1,148,400 FED, \$207,600 PR, and \$3,582,100 SEG) and 66.09 positions as shown in the following table.

	<b>Funding</b>	<b>Positions</b>
GPR	- \$172,600	- 1.00
FED	- 2,296,800	- 12.75
PR	- 415,200	- 2.75
SEG	<u>- 7,164,200</u>	<u>- 49.59</u>
Total	- \$10,048,800	- 66.09

<u>Program</u>	<u>Title</u>	<u>FTE</u>	<u>Annual Reduction</u>	<u>Fund Source</u>
<b>Educators:</b>				
Fisheries Management	Natural Resources Educator - Advanced	-0.75	-\$63,400	FED
Communication and Education	Natural Resources Educator - Advanced	-1.00	-85,100	FED
	Natural Resources Educator - Advanced	-3.00	-220,000	Conservation Fund SEG
Fisheries Management	Natural Resources Educator - Advanced	-0.25	-21,200	Fish and Wildlife SEG
Parks	Natural Resources Educator - Advanced/Senior	-3.00	-242,700	Parks SEG
Southern Forests	Natural Resources Educator - Senior	-1.00	-80,700	Forestry SEG
Natural Resources Magazine	Natural Resources Program Specialist	-1.00	-81,700	Natural Resources Magazine SEG
Waste Management	Natural Resources Educator - Advanced	-1.00	-79,400	Environmental Management SEG
Subtotal		-11.00	-874,200	
<b>Science Services:</b>				
	Natural Resources Scientist - Advanced/Senior	-9.25	-914,000	FED
	Chemist- Advanced/Senior	-1.25	-103,800	PR
	Natural Resources Research Scientist - Advanced/Senior	-7.40	-793,000	Conservation Fund SEG
	Natural Resources Research Scientist - Advanced	-0.50	-50,400	Nonpoint SEG
Subtotal		-18.40	-1,861,200	
<b>Vacancies:</b>				
<u>Land and Forestry Program</u>				
Wildlife Management	Natural Resources Area Supervisor	-2.00	-138,400	Fish and Wildlife SEG
	Wildlife Biologist- Advanced/Senior	-2.00	-96,900	Fish and Wildlife SEG
	Wildlife Biologist	-1.00	-53,000	Fish and Wildlife SEG
	Wildlife Technician - Advanced	-0.50	-25,600	Fish and Wildlife SEG
Facilities and Lands	Wildlife Technician - Advanced	-1.00	-38,300	Conservation Fund SEG
Parks	Ranger	-5.00	-311,700	Parks SEG
Forestry	Forester- Senior	-3.00	-207,600	Forestry SEG
	Forestry Specialist	-1.00	-69,200	Forestry SEG
	Natural Resources Region Team Supervisor	-1.00	-69,200	Forestry SEG
Endangered Resources	Conservation Biologist - Advanced	-2.00	-116,000	Endangered Resources SEG
<u>Air and Waste Program</u>				
Remediation and Redevelopment	Hydrogeologist	-1.00	-53,100	FED
Waste Management	Information Systems Comprehensive Services - Senior	-1.00	-86,300	GPR
Air Management	Air Management Specialist - Advanced/Senior	-1.50	-103,800	Air Emissions Fees PR
<u>Enforcement and Science Program</u>				
Law Enforcement	Natural Resources Law Enforcement Supervisor	-0.50	-34,600	Conservation Fund SEG

<u>Program</u>	<u>Title</u>	<u>FTE</u>	<u>Reduction</u>	<u>Fund Source</u>
<u>Water Program</u>				
Fisheries Management	Fisheries Technician	-0.75	-\$32,800	FED
Fisheries Management	Fisheries Technician- Advanced	-0.44	-25,600	Fish and Wildlife SEG
Fisheries Management	Fisheries Biologist- Senior	-2.00	-138,400	Fish and Wildlife SEG
Fisheries Management	Natural Resources Region Team Supervisor	-4.00	-276,800	Fish and Wildlife SEG
Fisheries Management	Natural Resources Staff Specialist	-2.00	-138,400	Fish and Wildlife SEG
<u>Customer Assistance and Employee Services (CAES) Program</u>				
Finance	Accountant- Advanced	-1.00	-80,900	Conservation Fund SEG
Finance	Financial Management Supervisor	-1.00	-81,000	Conservation Fund SEG
Community Financial Assistance	Natural Resources Financial Assistance Specialist - Senior	-1.00	-34,600	Conservation Fund SEG
Community Financial Assistance	Natural Resources Liaison Specialist	-1.00	-34,600	Conservation Fund SEG
CAES Program Management	Program Assistant - Advanced	-1.00	-42,200	Conservation Fund SEG
Subtotal		-36.69	-\$2,289,000	
Total		-66.09	-\$5,024,400	

The administration indicates that the positions identified as vacant were based on position classification types which had consistent vacancies over several years. This differs from the long-term vacancies identified in other agencies which were based on positions which had been vacant for more than twelve months.

**Joint Finance/Legislature:** Adopt the Governor's recommendation. In addition, specify that for the 11.0 education-related positions and 18.4 science services positions eliminated under the bill, the statutory requirements under section 230.34(2)(a) of the statutes shall not apply. [Section 230.34(2) of the statutes requires the agency to identify and terminate (release) all employees in the layoff group who are performing duties which the employee would be qualified to perform including: (a) limited-term employees, including provisional employees; (b) employees serving on a project appointment; and (c) employees serving an original appointment probationary period.]

**Veto by Governor [C-60]:** Correct the statutory reference by deleting "(a)" to accurately reflect the Legislature's intent to refer to section 230.34(2) of the statutes, rather than 230.34(2)(a).

[Act 55 Section: 9132(3d)]

[Act 55 Vetoed Section: 9132(3d)]

### 3. STEWARDSHIP PROGRAM [LFB Paper 451]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
GPR	\$0	\$1,030,000	\$1,030,000
SEG	0	6,000,000	6,000,000
Total	\$0	\$7,030,000	\$7,030,000
BR	\$0	- \$88,250,000	- \$88,250,000

**Governor:** Specify that, beginning with fiscal year 2015-16, the Department may not obligate moneys from the land acquisition subprogram of the reauthorized Warren Knowles Gaylord Nelson Stewardship program if the annual general fund debt service on amounts obligated under the reauthorized stewardship program exceeds \$54,305,700. Administration officials indicate that they do not believe any of the \$176 million BR authorized for the last five years of the land acquisition subprogram could be obligated under the bill.

Under the Warren Knowles-Gaylord Nelson Stewardship program, DNR acquires land and provides grants to local units of government and non-profit conservation organizations (NCOs) for land acquisition, easements, and nature-based outdoor recreational property development activities. The state generally issues 20-year tax-exempt general obligation bonds to support the stewardship program. Debt service for stewardship bonding is primarily funded from a sum sufficient general purpose revenue (GPR) appropriation with a portion of the funding coming from the forestry account of the conservation fund (\$13.5 million annually). 2013 Act 20 reduced total stewardship program authorized bonding by \$63.5 million (to \$1,365.5 million) and specifies that DNR may not obligate more than \$47.5 million in fiscal year 2013-14, not more than \$54.5 million in fiscal year 2014-15 and in fiscal year 2015-16, and not more than \$50 million in each year from 2016-17 through 2019-20. Beginning in fiscal year 2011-12, any bonding authority remaining unobligated at the end of a fiscal year may not be used in future fiscal years. Bonding allocations under current law and under the Governor are shown in the following table.

## Stewardship Bonding Allocations by Subprogram

### Current Law

	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<b>Land Acquisition:</b>					
DNR Acquisitions	\$19,260,000	\$22,260,000	\$22,260,000	\$22,260,000	\$22,260,000
NCO Acquisitions	12,000,000 <sup>a</sup>	12,000,000 <sup>a</sup>	12,000,000 <sup>a</sup>	12,000,000 <sup>a</sup>	12,000,000 <sup>a</sup>
County Forest Grants					
BCPL Natural Areas	0	1,000,000	1,000,000	1,000,000	1,000,000
County Dam Safety Grants	740,000	740,000	740,000	740,000	740,000
Subtotal	\$32,000,000	\$36,000,000	\$36,000,000	\$36,000,000	\$36,000,000
<b>Recreational Boating Aids</b>	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
<b>Property Development and Local Assistance:</b>					
DNR Property Development	\$6,500,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Motorized Stewardship <sup>d</sup>	500,000	500,000	500,000	500,000	500,000
Kettle Moraine Springs Fish Hatchery	7,000,000	0	0	0	0
Local Assistance Grants	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Subtotal	\$20,000,000	\$11,500,000	\$11,500,000	\$11,500,000	\$11,500,000
<b>Total</b>	<b>\$54,500,000</b>	<b>\$50,000,000</b>	<b>\$50,000,000</b>	<b>\$50,000,000</b>	<b>\$50,000,000</b>

### 2015-17 Governor

	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<b>Land Acquisition:</b>					
DNR Acquisitions	\$0	\$0	\$0	\$0	\$0
NCO Acquisitions	0	0	0	0	0
County Forest Grants	0	0	0	0	0
BCPL Natural Areas	0	0	0	0	0
County Dam Safety Grants	0	0	0	0	0
Subtotal	\$32,000,000 <sup>b</sup>	\$36,000,000 <sup>b</sup>	\$36,000,000 <sup>b</sup>	\$36,000,000 <sup>b</sup>	\$36,000,000 <sup>b</sup>
<b>Recreational Boating Aids</b>	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
<b>Property Development and Local Assistance:</b>					
DNR Property Development	\$0 <sup>c</sup>	\$0 <sup>c</sup>	\$5,000,000	\$5,000,000	\$5,000,000
Motorized Stewardship <sup>d</sup>	0 <sup>c</sup>	0 <sup>c</sup>	500,000	500,000	500,000
Kettle Moraine Springs Fish Hatchery	7,000,000	7,000,000	7,000,000	0	0
Local Assistance Grants	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Subtotal	\$20,000,000	\$11,500,000 <sup>e</sup>	\$11,500,000 <sup>e</sup>	\$11,500,000	\$11,500,000
<b>Total</b>	<b>\$54,500,000</b>	<b>\$50,000,000</b>	<b>\$50,000,000</b>	<b>\$50,000,000</b>	<b>\$50,000,000</b>

<sup>a</sup> DNR plans to utilize unspent prior NCO funds for county forest grants as allowed by 2013 Act 20.

<sup>b</sup> Authorized, but could not be obligated given debt service threshold.

<sup>c</sup> Although the bill would allow \$7.0 million in 2015-16 and \$5.5 million in 2016-17 for DNR property development (including \$500,000 annually for motorized stewardship) projects in the 2015-17 biennium, the Building Commission's recommendations for the 2015-17 building program would not provide for any DNR property development projects utilizing stewardship funds.

<sup>d</sup> Motorized stewardship projects (for ATV, UTV, and snowmobile trail projects) are subtracted from the DNR property development allocation. DNR indicates they plan to generally allocate \$500,000 annually for motorized stewardship projects.

<sup>e</sup> Although the bill would specify \$18.5 million in allocations in fiscal year 2016-17 and 2017-18, only \$11.5 million is statutorily authorized.

Currently, under the land acquisition subprogram, DNR may obligate not more than \$32 million in fiscal year 2015-16 and not more than \$36 million in each year from fiscal year 2013-14 through 2019-20, and must set aside \$12 million annually for grants to NCOs and set aside \$1 million annually to acquire land from the Board of Commissioners of Public Lands (BCPL) in fiscal years 2016-17 through 2019-20. The land acquisition subprogram may also be utilized for grants to counties to acquire land to be included in a county forest. Under the bill, the Department would be prohibited from obligating any funds under the land acquisition subprogram of the reauthorized stewardship program (bonding authority of up to \$1,134,500 authorized for the 20 fiscal years from 2000-01 through 2019-20), if the annual general fund debt service on amounts obligated under the reauthorized program exceeds \$54,305,700. While it is unclear under the bill when this provision would be triggered, the administration indicates that the intent was that DNR not obligate funds under the land acquisition subprogram of the reauthorized program if, in the prior fiscal year, the GPR debt service on the reauthorized program exceeded \$54,305,700. The following table shows actual 2013-14 and budgeted 2014-15 through 2016-17 stewardship-related debt services costs.

### Stewardship Debt Repayments

	<u>2013-14 Actual</u>	<u>2014-15 Base</u>	<u>Governor</u>	
			<u>2015-16</u>	<u>2016-17</u>
GPR	\$73,464,500	\$76,307,000	\$74,935,700	\$71,306,200
SEG	<u>13,500,000</u>	<u>13,500,000</u>	<u>13,500,000</u>	<u>13,500,000</u>
Total	\$86,964,500	\$89,807,000	\$88,435,700	\$84,806,200

While the majority of the debt service shown in the table is related to the stewardship program, a portion of the payments are related to bonding mostly authorized prior to the creation of the first stewardship program for several similar recreational land acquisition programs, and for a local dam repair and removal grant program. Of the total \$87 million expended in fiscal year 2013-14, approximately \$64 million was for principal repayment and interest related to the reauthorized stewardship program and approximately \$21 million was for the original stewardship program (the \$231 million BR authorized for the 10 years from 1990-91 through 1999-2000).

**Joint Finance/Legislature:** Delete provision. Rather, specify that DNR may not obligate more than \$33,250,000 in each year from fiscal year 2015-16 through 2019-20 under the reauthorized stewardship program as shown in the following table. Reduce the amount of total bonding authority for the stewardship program by \$88,250,000 from the currently authorized \$1,365,500,000 (\$1,277,250,000 would be authorized for the program) and provide \$50,000 GPR in 2015-16 and \$980,000 GPR in 2016-17 to reflect estimated debt service payments under the revised program.

## Stewardship Program Allocations Act 55

	<u>2015-16</u>	<u>2016-17 thru 2019-20</u>
<i>Land Acquisition Subprogram</i>		
DNR Acquisition	\$9,000,000	\$9,000,000
County Forests	5,000,000	5,000,000
Nonprofit Conservation Organizations (NCOs)	<u>7,000,000</u>	<u>7,000,000</u>
Land Acquisition Subtotal	\$21,000,000	\$21,000,000
<i>Property Development and Local Assistance Subprogram</i>		
DNR Property Development	\$3,750,000	\$3,750,000
Kettle Moraine Springs*	0	0
Local Assistance	<u>6,000,000</u>	<u>6,000,000</u>
Subtotal	\$9,750,000	\$9,750,000
<i>Recreational Boating Aids</i>	2,500,000	2,500,000
Total Bonding Allocation	\$33,250,000	\$33,250,000
Current Law and Governor BR	<u>54,500,000</u>	<u>50,000,000</u>
Change to Current Law and Governor	-\$21,250,000	-\$16,750,000

\*\$26.6 million would be enumerated for the Kettle Moraine Springs Fish Hatchery project and DNR may obligate up to \$26.6 million for the project. However, DNR may use up to \$19.6 million in authorized but unobligated funds through fiscal year 2013-14 (\$27,855,000 available) for the project along with \$7 million set aside in fiscal year 2014-15 under current law.

*Land Acquisition.* The Act specifies that \$9 million each year be allocated for DNR land acquisition. A current law provision remains that specifies DNR may not obligate more than one-third of this amount for land acquisition in fee simple (outright purchase); therefore, at least two-thirds (\$6 million) must be used for DNR easements or grants for county forests. Further, specify that \$5 million annually be set aside from the land acquisition subprogram only to provide grants to counties primarily to acquire land to be included in a county forest (under current law, DNR has discretion over the amount of annual land acquisition subprogram funding allocated to county forest grants). In addition, specify that the annual amount required be set aside from the land acquisition subprogram for Department purchases (including fee title and easement purchases) for the Ice Age Trail be \$1 million (rather than the \$3 million currently provided for DNR purchases and grants for state trails and the Ice Age Trail). Also, eliminate the requirement that the Department set aside \$1 million each year beginning in 2016-17 from land acquisition for purchases from the Board of Commissioners of Public Lands (BCPL). [The Department remains able to utilize their general land acquisition funds to purchase property from BCPL]. In addition, require DNR to set aside \$7 million each year for grants to NCOs (rather than the \$12 million set aside under current law), with any remaining NCO allocation available for grants to county forests in the subsequent year (as under current law).

*Property Development.* Specify that stewardship bonding of \$3,750,000 each year from 2015-16 through 2019-20 may be utilized for DNR property development, including motorized

stewardship grants. In addition, provide \$3 million SEG in fiscal year 2015-16 and \$3 million SEG in fiscal year 2016-17 in one-time funding in a continuing appropriation from the forestry account for property development of Department lands. Specify the 2015-17 state building program include a total of \$13.5 million in property development funding. [The Building Commission's 2015-17 building program recommendations would not have provided for any DNR property development projects utilizing stewardship funds. The Act provides \$3.75 million each year in stewardship bonding authority for DNR property development and \$3 million forestry SEG each year in one-time funds in 2015-16 and 2016-17.]

[Act 55 Sections: 640b, 868m, 959b thru 959p, 960g thru 960w, 991m, and 1004m]

**4. KETTLE MORaine SPRINGS FISH HATCHERY AND USE OF UNOBLIGATED STEWARDSHIP BONDING AUTHORIZATION** [LFB Papers 451 and 452]

**Governor:** Specify that an additional \$14 million in existing Knowles-Nelson Stewardship Program bonding authority from the property development and local assistance subprogram be designated for infrastructure improvements to the Kettle Moraine Springs Fish Hatchery in Sheboygan County, including \$7 million in fiscal year 2016-17 and \$7 million in fiscal year 2017-18. Further, specify that s. 23.0917(5g) of the statutes, which prohibits the Department from obligating an unobligated amount appropriated for a subprogram in a given year in subsequent fiscal years, does not apply with respect to amounts obligated before July 1, 2018, for infrastructure improvements to the Kettle Moraine Springs fish hatchery. [An amendment would be needed to implement this intent.]

**Joint Finance/Legislature:** Specify that, notwithstanding section 23.0917(5g) of the statutes, DNR shall obligate funds from existing stewardship bonding authority that was not obligated in fiscal years 2011-12, 2012-13, and 2013-14 [\$27,855,000], in the following amounts for the following purposes as shown in the table: (a) the amount necessary, but not more than \$19.6 million for infrastructure improvements to the Kettle Moraine Springs (KMS) fish hatchery (this would be in addition to the \$7 million in authorized bonding authority from fiscal year 2014-15 that was set aside for the KMS hatchery project, enumerating a total of \$26.6 million stewardship BR for the project); (b) the amount necessary, but not more than \$5.0 million for a project to repair or replace the Little Falls Dam at Willow River State Park in St. Croix County (including \$3,041,700 from existing general fund supported borrowing provided under the state building program amendment -- the project is enumerated at \$8,041,700); and (c) any remaining unobligated funds for county dam safety grants under section 32.385(7) of the statutes, until the total amount obligated from the stewardship program for these grants reaches \$6 million (estimated at approximately \$3.2 million).



<u>Project</u>	<u>Previously Unobligated Bonding Authority</u>
Kettle Moraine Springs Fish Hatchery	\$19,600,000
Little Falls Dam (Willow River State Park)	5,000,000
County Dam Safety Grants	<u>3,255,000*</u>
Total	\$27,855,000

\*Maximum expected to be available. In April, 2015, DNR expected to obligate approximately \$2.8 of the \$6 million set aside for county dam safety grants by the end of fiscal year 2014-15.

Prior to 2011, if the Department did not obligate the full amount allocated under a stewardship subprogram, DNR was directed to raise the next year's annual bonding authority for the subprogram by an amount equal to the unobligated amount. 2011 Act 32 specified that this does not apply after fiscal year 2010-11. As a result, beginning in fiscal year 2011-12, DNR is no longer allowed to carry forward unobligated bonding authority into subsequent fiscal years. From fiscal years 2011-12 through 2013-14, approximately \$27,855,000 of stewardship bonding authority was unobligated. The Act allows up to \$19.6 million of this authorized, but previously unobligated, funding to be obligated for the KMS fish hatchery project (in addition to the \$7 million set aside from fiscal year 2014-15 for the project); up to \$5 million to repair or replace the Little Falls Dam at Willow River State Park; and any remaining unobligated funds for county dam safety grants until the total stewardship obligation for the grants reaches \$6 million. Under current law, stewardship county dam safety grants may only be awarded for a county-owned dam that is under an order by DNR for maintenance, repair, modification, abandonment or removal as of July 1, 2011. Grants are provided for up to 25% of eligible project costs, with a maximum grant award of \$2.5 million (\$10 million project). In April, 2015, DNR expected to obligate up to \$2.8 million of this \$6 million by the end of fiscal year 2014-15.

[Act 55 Sections: 960, 960c, 961e, 961m, 991s, and 1066u]

## 5. NEENAH/MENASHA TWIN TRESTLES PROJECT STEWARDSHIP FUNDING

**Joint Finance/Legislature:** Direct DNR to provide stewardship funds in the amount necessary, but not to exceed \$1.6 million, from the local assistance grant program to the cities of Neenah and Menasha for up to 50% of the costs of a project to construct two pedestrian bridges across the Fox River (one bridge across the south branch of the Fox River in Neenah and one bridge across the north branch of the Fox River in Menasha) and for completion of the associated trail loop, referred to as the Twin Trestles project.

The cities of Neenah and Menasha plan to construct two pedestrian trestle bridges (a bridge composed of a number of short spans supported by rigid frames used as supports -- trestles) over the Fox River and trail connections to two existing trails. The project, referred to as the Twin Trestles project, would create a 3.2 mile loop around Little Lake Butte des Morts and connect with existing trails. Total project costs are estimated at \$3.2 million (including \$1,664,000 for the Neenah bridge and trail connection and \$1,536,000 for the Menasha bridge

and trail connection).

[Act 55 Section: 991e]

## **6. STEWARDSHIP FEE SIMPLE ACQUISITION NORTH OF STATE TRUNK HIGHWAY 64**

**Joint Finance/Legislature:** Specify that all fee simple land acquisitions north of State Trunk Highway 64 acquired using stewardship funds are subject to review by the Joint Committee on Finance under a 14-day passive review process.

Under current law, stewardship projects of \$250,000 or more are subject to review by the Joint Committee on Finance under a 14-day passive review procedure. The Act requires all fee simple land acquisitions north of Highway 64 utilizing stewardship funds to be subject to this 14-day passive review procedure. [State Trunk Highway 64 runs east–west across Wisconsin from U.S. Highway 41 in the City of Marinette to the Minnesota state line on the Stillwater Bridge in Stillwater, Minnesota.]

[Act 55 Sections: 961p and 961t]

## **7. STEWARDSHIP LAND SALES**

**Joint Finance/Legislature:** Specify that the net proceeds (after repayment of any outstanding debt on that parcel, applicable federal tax law compliance, or other restrictions governing use of the proceeds, such as if the property was acquired by gift or grant) of DNR land sales from land required to be offered for sale under s. 23.145 of the statutes be used as follows: (a) fifty percent to pay principal on outstanding public debt issued under the stewardship program; and (b) fifty percent to be deposited in a new continuing conservation fund SEG appropriation to be used for DNR to acquire land in the manner specified under s. 23.09(2)(d) of the statutes with priority given to the following purposes [the same requirements which currently apply to land acquired by DNR under the stewardship program]: (a) acquisition of land that preserves or enhances the state's water resources, including land along the Lower Wisconsin State Riverway and land abutting wild rivers, wild lakes, and land along the shores of the Great Lakes; (b) acquisition of land for the stream bank protection program; (c) acquisition of land for habitat areas and fisheries; (d) acquisition of land for natural areas; (e) acquisition of land in the middle Kettle Moraine; and (f) acquisition of land in the Niagara Escarpment corridor.

Under section 23.145 of the statutes, the Natural Resources Board is required to, on or before June 30, 2017, offer for sale at least 10,000 acres of DNR property located outside the project boundaries established as of May 1, 2013. Currently, the net proceeds must be used to pay principal on outstanding public debt issued under the stewardship program. Under the bill, fifty percent of net proceeds of DNR land sales (of those lands required to be offered for sale by June 30, 2017) would be used to pay principal on outstanding public debt issued under the stewardship program, and fifty percent would be for DNR acquisition of land.

**Veto by Governor [H-97]:** Delete provision. (The current law requirement that the net

proceeds be used for stewardship debt service payments is maintained.)

[Act 55 Vetoed Sections: 481 (as it relates to s. 20.370(7)(iv)), 639m, 640d, 980b, and 980bm]

## 8. TRANSFERS WITHIN APPROPRIATIONS

**Governor/Legislature:** Authorize several transfers within the same appropriation including: (a) in the Land Division transfer 1.0 position and \$51,500 SEG annually from southern forests to parks to correct an earlier error and transfer 1.0 position and \$62,600 SEG from land program management to parks to offset the reduction of 1.0 position under 2013 Act 20 (as part of the reduction of 32.1 positions); (b) in the Air and Waste Division, move \$75,700 SEG from the Unallotted reserve line to the one-time funding line in each year for PECFA and brownfields administration; (c) in the Water Division, transfer 3.0 positions (2.0 FED and 1.0 SEG) and \$286,500 (\$200,500 FED and \$86,000 SEG) from water quality to watershed management and transfer 4.13 positions (1.0 GPR, 2.10 FED, 0.50 PR, and 0.53 SEG) and \$359,500 (\$98,400 GPR, \$174,100 FED, \$43,900 PR, and \$43,100 SEG) from watershed management to water quality related to the establishment of the Bureau of Water Quality under 2013 Act 20, and transfer 3.0 FED positions from drinking water and groundwater to water quality to correct an error in the adjusted base; and (d) in the Division of Administration and Technology and Division of Customer Assistance and Employee Services, transfer 3.10 positions (2.60 SEG and 0.50 PR) and \$284,700 (\$255,300 SEG and \$29,400 PR) between subprograms intended to better align with current workload.

## 9. TRANSFERS BETWEEN APPROPRIATIONS [LFB Paper 453]

**Governor:** Make several transfers between DNR appropriations as follows:

### Transfers Intended to Better Align With Current Work Performed

<u>Position</u>	<u>Annual Transfer</u>	<u>Fund Source</u>	<u>FTE</u>	<u>Transfer From</u>	<u>Transfer To</u>
Stewardship Grant Manager	\$196,800	2.00	SEG	Community Financial Assistance	Facilities and Lands
Natural Resources Customer Services Representative- Senior	61,900	1.00	SEG	Management and Budget	Customer Service and Licensing
Natural Resources Customer Services Representative- Senior	26,000	0.50	GPR	Human Resources	Customer Service and Licensing
Payroll and Benefits Specialist	8,300	0.15	SEG	Community Financial Assistance	Human Resources
Attorney	<u>13,800</u>	<u>0.10</u>	SEG	Watershed Management	Legal Services
Total	\$306,800	3.75			

In addition, modify the title under s. 20.370 (3) of the appropriation to read "Public Safety and Business Support" rather than "Enforcement and Science". Transfer all positions in the Office of Business Support and Sustainability from the Division of Customer Assistance and

Employee Services (CAES) to the Public Safety and Business Support program as shown in the following table:

**Office of Business Support and Sustainability**

<u>Amount</u>	<u>FTE</u>	<u>Fund Source</u>
\$1,559,400	16.00	GPR
1657,800	15.50	PR
<u>664,900</u>	<u>7.50</u>	SEG
\$3,882,100	39.00	

Of the 39 positions shown in the table, 38 would be housed in the new Office of Business Support budgetary subprogram, while 1.0 natural resources program coordinator position and \$69,200 GPR would be transferred to the integrated science services subprogram. 2013 Act 32 established the Office of Business Support and Sustainability as a budgetary subprogram under the CAES Division and transferred Cooperative Environmental Assistance (CEA) staff from the Air and Waste Division and Office of Energy and Environmental Analysis (OEEA) staff from the Bureau of Science Services in the Enforcement and Science Division to the Office of Business Support and Sustainability in the CAES Division. CEA staff provide pollution prevention, regulatory assistance, and industry recognition to Wisconsin businesses across a variety of business sectors and OEEA staff are responsible for coordinating the review of all proposed energy and utility projects in Wisconsin.

**Joint Finance/Legislature:** Correct the budget system to transfer 2.5 PR positions annually to an appropriation that receives funding from federally-regulated stationary sources of air pollutants, which is the same funding source as currently supports the positions.

[Act 55 Section: 623]

## **10. CONVERT NATURAL RESOURCES BOARD TO AN ADVISORY COUNCIL**

**Governor:** Delete statutory language creating the Natural Resources Board. Instead, specify the Department of Natural Resources (DNR) is under the direction and supervision of the Secretary of DNR and the Department is the body through which all governmental agencies and nongovernmental agencies may coordinate their policies, plans, and activities with regard to Wisconsin outdoor recreation resources. Further, create a seven-member Natural Resources Council (membership requirements would remain the same as the current law Natural Resources Board membership requirements). Specify member terms are six years (rather than staggered six year terms under current law). In addition, specify that the individuals who are members of the Natural Resources Board on the day before the effective date of the budget act are the initial members of the Natural Resources Council and initial members serve terms ending on July 1 of the year in which their term on the Board would have expired. Delete statutory references to "Natural Resources Board" and replace them with "Secretary" or "Department" as applicable [for example, the bill would specify that the Conservation Congress serve in an advisory capacity to the Secretary of DNR (rather than to the Natural Resources Board) on all matters under the jurisdiction of the Secretary (rather than the Board)]. In addition, delete members of the Natural

Resources Board from the exemption from liability under s. 29.944 of the statutes and from visitorial powers of the Department under s. 281.96 of the statutes (due to the fact that the Council would not have regulatory authority or official powers).

Under current law, the statutes generally specify board-directed departments are to have advisory, policy-making and regulatory authorities vested in the board, while the secretary is to hold administrative powers. The Department of Natural Resources, however, is created “under the direction and supervision” of the Natural Resources Board, while the DNR Secretary, in whom administrative powers are vested, is nominated by the Governor and confirmed with the advice and consent of the Senate. The seven-person Natural Resources Board consists of three members from the territory north, and three members of the territory south, of a line running east and west through the south limits of the city of Stevens Point, and one member from the state at large. In addition, at least one member is required to have an agricultural background and at least three members generally must have held an annual hunting, fishing, or trapping license in at least seven of the previous 10 years.

Under the bill, many characteristics of the current Natural Resources Board would be retained by the Council, including the body's size, membership, and member terms (although the bill would specify that the Council members serve six-year terms rather than staggered six-year terms). However, the Council would have no policy-making role such as that under current law for approving proposed administrative rules (such as rules establishing hunting seasons). Rather, the Council would advise the DNR Secretary on making and implementing policy. Council members are reimbursed for their actual and necessary expenses incurred in the performance of their duties, but are not otherwise compensated for their services. The Council would not retain any of the specified oversight or review of certain projects (such as land acquisitions or land sales) of the Natural Resources Board. For example, current law specifies that if a stewardship program land transaction includes a prohibition of a nature based outdoor recreational activity, four or more members of the Natural Resources Board are required to concur in the determination that the prohibition is necessary, in order for the transaction to be approved by the Board. Also, under current law, a determination to prohibit hunting, fishing, or trapping in a state park or a portion of a state park requires four or more members of the Natural Resources Board to concur in that determination. Under the bill, approval of stewardship land acquisitions with proposed prohibitions of access and determinations of prohibitions of hunting, fishing, or trapping in state parks would be made by the Secretary. Similarly, authority to sell certain state lands and the requirement to offer at least 10,000 acres of DNR lands outside project boundaries would be shifted from the Board to the Secretary.

**Joint Finance/Legislature:** Delete provision as a non-fiscal policy item.

## **11. LAPSE REQUIREMENT**

**Governor/Legislature:** Specify that the 2013 Act 145 requirement that DNR lapse \$3,008,000 to the general fund from the unencumbered balances of GPR and PR appropriations in 2015-16 would also apply to 2016-17. [See "Budget Management and Compensation Reserves."]

[Act 55 Section: 4747]

## 12. DEBT SERVICE REESTIMATE [LFB Paper 175]

GPR	- \$25,796,000
SEG	- 2,079,200
Total	- \$27,875,200

**Governor/Legislature:** Delete \$8,218,900 (-\$7,522,700 GPR and -\$696,200 SEG) in 2015-16 and \$19,656,300 (-\$18,273,300 GPR and -\$1,383,000 SEG) in 2016-17 to reflect a reestimate of debt service payments on bonds issued for various DNR programs as shown in the following table:

	Adjusted Base	2015-16 Chg. To Base	2015-16 Estimate	2016-17 Chg. To Base	2016-17 Estimate	Total Biennial Change	
Stewardship and predecessors, dam safety	\$76,307,000	-\$1,371,300	\$74,935,700	-\$5,000,800	\$71,306,200	-\$6,372,100	GPR
Water pollution abatement	9,871,500	-4,970,800	4,900,700	-9,871,500	0	-14,842,300	GPR
Administrative facilities	5,428,500	-78,100	5,350,400	-171,900	5,256,600	-250,000	GPR
Combined sewer overflow	5,138,400	-1,209,700	3,928,700	-3,181,400	1,957,000	-4,391,100	GPR
Municipal clean drinking water grants	270,400	107,200	377,600	-47,700	222,700	59,500	GPR
Water pollution abatement	8,000,000	0	8,000,000	-550,800	7,449,200	-550,800	Environmental SEG
Rural nonpoint source grants- priority watershed program	7,965,700	-198,100	7,767,600	-1,055,400	6,910,300	-1,253,500	Environmental SEG
Administrative facilities	5,058,100	-148,400	4,909,700	131,600	5,189,700	-16,800	Conservation SEG
Remedial action	3,385,300	-108,000	3,277,300	-275,700	3,109,600	-383,700	Environmental SEG
Urban nonpoint source and municipal flood control grants	3,193,800	-61,000	3,132,800	-41,300	3,152,500	-102,300	Environmental SEG
Contaminated sediment cleanup	1,786,400	-61,900	1,724,500	318,100	2,104,500	256,200	Environmental SEG
Rural nonpoint source grants- targeted runoff management	1,525,000	-1,200	1,523,800	197,400	1,722,400	196,200	Environmental SEG
Administrative facilities	883,700	-78,900	804,800	-73,200	810,500	-152,100	Environmental SEG
Dam repair and removal	543,600	-38,500	505,100	-17,400	526,200	-55,900	Conservation SEG
Land acquisition	16,500	-200	16,300	-16,300	200	-16,500	Conservation SEG
Total	\$129,373,900	-\$8,218,900	\$121,155,000	-\$19,656,300	\$109,717,600	-\$27,875,200	

## 13. AIDS IN LIEU OF TAXES REESTIMATE [LFB Paper 155]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,806,600	- \$2,874,100	- \$1,067,500
SEG	0	2,917,500	2,917,500
Total	\$1,806,600	\$43,400	\$1,850,000

**Governor:** Provide \$678,300 GPR in 2015-16 and \$1,128,300 GPR in 2016-17 to reflect estimated aids in lieu of property tax payments. Total payments for aids in lieu of property taxes primarily related to lands acquired since 1992 are estimated at \$14.3 million in 2015-16 and \$14.8 million in 2016-17. This includes \$5,470,000 annually from forestry account SEG, while the remainder is paid from a sum sufficient GPR appropriation.

Since 1992, when DNR acquires land, the Department pays aids in lieu of property taxes on the land to the municipality (city, village, or town) in which the land is located under a formula generally intended to provide an amount similar to the property tax that would have been due on the property at the time it was purchased, adjusted annually to reflect changes in the

equalized valuation of all land, excluding improvements in the taxation district. The municipality then pays each taxing jurisdiction (including the county and school district) a proportionate share of the payment, based on its levy. Aids in lieu of property taxes are paid on property beginning for the tax year after it was purchased.

**Joint Finance/Legislature:** Restore \$21,700 GPR annually deleted in error from the DNR aids in lieu of taxes appropriation related to payments in lieu of taxes by the Board of Commissioners of Public Lands (BCPL) for land purchased from DNR.

In addition specify that, in fiscal year 2015-16, 45% of payments of aids in lieu of taxes (for lands acquired after 1991) be made from the forestry account of the conservation fund, and the remainder from GPR. Beginning in fiscal year 2016-17, 50% of payments of aids in lieu of taxes would be made from the forestry account with 50% from GPR. Provide \$987,500 forestry SEG in fiscal year 2015-16 and \$1,930,000 forestry SEG in fiscal year 2016-17 and delete the same amount of GPR in each year to reestimate the appropriations for payments of aids in lieu of taxes.

[Act 55 Sections: 636c thru 636e, and 9432(1d)]

#### 14. PROGRAM REVENUE REESTIMATE

PR	- \$52,200
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**Governor/Legislature:** Delete \$26,100 annually in a program revenue appropriation for all moneys received as environmental impact statement fees related to electric power generating projects. The administration indicates no fees have been received for at least five years. The appropriation would be budgeted at \$0 annually beginning in 2015-16.

#### 15. CONSOLIDATE MARKETING SERVICES IN TOURISM [LFB Paper 627]

	<b>Governor (Chg. to Base)</b>		<b>Jt. Finance/Leg. (Chg. to Gov)</b>		<b>Net Change</b>	
	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>
FED	\$0	- 2.00	- \$314,800	0.00	- \$314,800	- 2.00
SEG	<u>- 359,800</u>	<u>- 7.00</u>	<u>- 889,000</u>	<u>0.00</u>	<u>- 1,248,800</u>	<u>- 7.00</u>
Total	- \$359,800	- 9.00	- \$1,203,800	0.00	- \$1,563,600	- 9.00

**Governor:** Delete 7.0 positions (6.0 communications specialist- advanced and 1.0 natural resources educator-advanced) identified by the administration as being generally related to marketing or communications. Associated funding (\$157,400 FED and \$444,500 SEG annually) would be reallocated from permanent position salaries and fringe benefits to supplies and services. In addition, delete \$179,900 SEG annually and 2.0 communications specialists-advanced positions.

<u>Program</u>	<u>Title</u>	<u>FTE</u>	<u>Annual Reduction</u>	<u>Fund Source</u>
<b>Office of Marketing</b>				
Customer Service and				
Licensing	Communications Specialist- Advanced	-1.00		FED
Air Management	Communications Specialist- Advanced	-1.00		FED
Communication and				
Education	Communications Specialist- Advanced	-4.00		Conservation Fund SEG
Communication and				
Education	Natural Resources Educator- Advanced	-1.00		Conservation Fund SEG
Subtotal		-7.00		
<b>Additional Communications Reductions</b>				
Communication and				
Education	Communications Specialist- Advanced	-1.00	-\$92,700	Conservation Fund SEG
Law Enforcement	Communications Specialist- Advanced	-1.00	-87,200	Conservation Fund SEG
Subtotal		-2.00	-179,900	
Total		-9.00	-\$179,900	

The provision is intended to consolidate various functions related to marketing of the state or state agency services in the Department of Tourism, which currently markets the state as a destination for tourists and other travelers. Tourism would be provided staffing and funding for an Office of Marketing, and Tourism would charge agencies for marketing services. The bill would not provide for the transfer of any incumbent employees to Tourism. Additional information on the Office of Marketing is available under "Tourism."

**Joint Finance/Legislature:** Modify the Governor's recommendation by deleting funding associated with the remaining seven positions, rather than reallocating funding to supplies and services.

# **16. TRANSFER VACANT POSITION TO DEPARTMENT OF ADMINISTRATION FOR INFORMATION TECHNOLOGY PROCUREMENT [LFB Paper 113]**

	<u>Governor</u> <u>(Chg. to Base)</u>		<u>Jt. Finance/Leg.</u> <u>(Chg. to Gov)</u>		<u>Net Change</u>	
	<u>Funding</u>	<u>Positions</u>	<u>Funding</u>	<u>Positions</u>	<u>Funding</u>	<u>Positions</u>
PR	- \$201,000	- 1.00	\$201,000	1.00	0.00	0.00

**Governor:** Transfer 1.0 vacant information services comprehensive consultant position to the Department of Administration for strengthening information technology and services procurement. Delete \$100,500 annually from the Department's geographic information systems operations- program revenue services appropriation associated with the position.

**Joint Finance/Legislature:** Delete provision. [See "Administration -- Transfers."]



**17. ATTACH LOWER WISCONSIN STATE RIVERWAY BOARD AND KICKAPOO VALLEY RESERVE TO DNR [LFB Paper 625]**

	<u>Governor</u> <u>(Chg. to Base)</u>		<u>Jt. Finance/Leg.</u> <u>(Chg. to Gov)</u>		<u>Net Change</u>	
	<u>Funding</u>	<u>Positions</u>	<u>Funding</u>	<u>Positions</u>	<u>Funding</u>	<u>Positions</u>
PR	\$448,800	1.25	- \$448,800	- 1.25	\$0	0.00
SEG	<u>1,395,200</u>	<u>2.75</u>	<u>- 1,395,200</u>	<u>- 2.75</u>	<u>0</u>	<u>0.00</u>
Total	\$1,844,000	4.00	- \$1,844,000	- 4.00	\$0	0.00

**Governor:** Attach the Lower Wisconsin State Riverway Board (LWSRB) and the Kickapoo Valley Reserve (KVR) Management Board to DNR, rather than the Department of Tourism, for administrative purposes. Transfer appropriations for the Kickapoo Valley Reserve from Tourism to DNR, including \$697,600 forestry SEG annually with 2.75 positions and \$224,400 PR with 1.25 positions.

<u>Appropriation</u>	<u>Fund Source</u>	<u>Annual Funding</u>	<u>Positions</u>
Program services and operations	PR	\$157,800	1.00
Law enforcement services	PR	66,600	0.25
Gifts and grants	PR	0	0.00
Federal funds	FED	0	0.00
General program operations	SEG	417,600	2.75
Aids in lieu of property taxes	SEG	<u>280,000</u>	<u>0.00</u>
Total		\$922,000	4.00

In addition to the funding and position transfers, the bill includes standard directives: (a) transferring all LWSRB and KVR assets, liabilities, tangible personal property, and current contracts from Tourism to DNR; and (b) providing for the transfer of incumbent KVR employees, and preserving all rights and statutes employees may have earned prior to transfer. (No language regarding employees of the LWSRB is included, as the agency and its two staff would continue to be budgeted separately from DNR, while KVR appropriations would be transferred from a separate program under Tourism and incorporated into the DNR land and forestry program budget schedule.) The transfers would take effect on the bill's effective date.

**Joint Finance/Legislature:** Delete the provision transferring the KVR, which would remain administratively attached to Tourism. Additionally, specify KVR is to be budgeted as a separate agency, and transfer KVR appropriations to a newly created s. 20.385 of the statutes.

The administrative attachment of the LWSRB to DNR would be retained. However, specify DNR is to process and forward personnel and biennial budget requests of the LWSRB without change, except as requested or concurred in by the LWSRB.

Additional information on the transfers is available in the entries under the Kickapoo Reserve Management Board, the Lower Wisconsin State Riverway Board, and Tourism.

[Act 55 Sections: 104, 219, 1064, 1064m, and 9144(2)]

**18. ELIMINATE GRANTS TO NONPROFIT CONSERVATION ORGANIZATIONS**  
[LFB Papers 454 and 395]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Veto (Chg. to Leg)</b>	<b>Net Change</b>
GPR	- \$45,600	\$0	\$0	- \$45,600
SEG	<u>- 2,271,000</u>	<u>2,041,800</u>	<u>- 2,041,800</u>	<u>- 2,271,000</u>
Total	- \$2,316,600	\$2,041,800	- \$2,041,800	- \$2,316,600

**Governor:** Repeal an obsolete reference to the seven annual installments of \$400,000 that were made from 2005-06 through 2011-12 from the recreational boating project aids appropriation to the Fox River Navigational System Authority.

Under current law, there are several Department of Natural Resources (DNR) grants statutorily directed to non-profit conservation organizations (NCOs) primarily using the segregated conservation fund. These grants have often been provided to NCOs to assist the Department or other NCOs for a variety of conservation-related efforts. The bill would delete the following items, as shown in the table at the end of this entry.

*Sporting Heritage.* Under 2013 Act 20, DNR is required to provide a Wisconsin non-profit organization established in Wisconsin for outdoor education, recruitment, and retention of sportsmen and sportswomen a grant of \$500,000 during the 2013-15 biennium, including providing \$200,000 GPR on a one-time basis in 2013-14, and \$300,000 from an unspecified existing source in 2014-15. Each subsequent biennium (beginning with the 2015-17 biennium), DNR must provide a grant of \$450,000 from an unspecified source, with the recipient required to provide \$150,000 in matching funds.

*Great Lakes Timber Professionals Association and Wisconsin County Forests Association.* 2013 Act 20 also directs DNR to provide a grant of \$300,000 in fiscal year 2013-14 and \$300,000 in fiscal year 2014-15 in one-time funding from the forestry account of the conservation fund to the Great Lakes Timber Professionals Association (GLTPA) and the Wisconsin County Forests Association (WCFA) for a comprehensive study of DNR forestry practices and forest fire prevention practices. While no funding would be provided in 2015-17 under the Act 20 provision, the requirement that a report be prepared on the results of the study would be repealed. Currently, the report would be submitted to DNR, the Council on Forestry and the appropriate standing committees of the Legislature.

*National Off-Highway Vehicle Insurance & Services Group (NOHVIS).* The all-terrain vehicle (ATV) safety enhancement grant program was created under 2001 Act 16. Available funding is awarded in the form of a grant to a non-profit organization. The statutes require that the organization be a nonstock corporation organized in Wisconsin that promotes the operation of ATVs in a manner that is safe and responsible, that does not harm the environment, and that does not conflict with the laws, rules, and departmental policies that relate to the operation of ATVs. No match is required. Each year, the grant has been provided to the National Off-Highway Vehicle Insurance Services Group, Inc.

*Wisconsin Lakes.* Under the lake protection grant program, since fiscal year 1998-99, DNR

has primarily awarded one lake classification technical assistance contract for \$200,000 water resources account SEG annually to Wisconsin Lakes.

*Great Lakes Timber Professionals Association- Master Loggers and Logger Safety.* Beginning in 2006-07 funding has been provided for grants of up to 50% of the cost of certification for individuals pursuing master logger certification through the Great Lakes Timber Professionals Association (GLTPA) (formerly the Wisconsin Professional Loggers Association, which merged with the GLTPA in 2011), and since 2009 Act 28, grants for up to 50% of the cost of receiving safety training. Reimbursement is provided to GLTPA for up to 50% of eligible certification or training costs.

*Gathering Waters, Inc.* Annually since 1996-97, DNR has provided a grant to a Wisconsin-based non-stock, nonprofit corporation. The nonprofit conservation organization [as described in section 501(c)(3) or (4) of the Internal Revenue Code (IRC)] must meet all of the following requirements to be eligible for the grant: (a) have an exemption from the federal income tax; (b) provide support to nonprofit conservation organizations (NCOs); (c) have a board of directors that has a majority of members who are representatives of NCOs; and (d) provide \$25,000 to be used with the grant and submit an annual report. The grant was awarded to Gathering Waters, Inc. beginning in 1996-97 (the group has received the grant every year since).

*Natural Resources Foundation.* Funding was provided beginning in 2000-01, split-funded evenly between the forestry and water resources account of the conservation fund, for a non-stock, nonprofit corporation that meets the following requirements: (a) the criteria under section 501(c)(3) or (4) of the IRC; (b) is organized in the state; (c) is exempt from taxation under section 501 of the IRC; and (d) is created to accept and utilize private contributions made to protect and enhance the state's natural resources. No match is statutorily required. In each year, the grant has been awarded to the Natural Resources Foundation of Wisconsin.

*Urban Forest Protection.* Since 1999, forestry account funding is provided to a federally tax-exempt non-stock, nonprofit corporation as described in section 501(c)(3) or (4) of the IRC and organized for urban forest and water resource protection and urban open space purposes. To be eligible to receive the grant the corporation must provide \$25,000 in matching funds and submit an annual report to DNR and the Legislature detailing the activities for which the grant was expended. In fiscal years 2007-08 through fiscal year 2012-13, the grant was awarded to the River Revitalization Foundation (of Milwaukee). In fiscal year 2013-14, the grant was awarded to the Baird Creek Preservation Foundation (Green Bay).

*Ice Age Trail Alliance.* The forestry account also supports an annual grant to a federally tax-exempt non-stock, nonprofit corporation as described in section 501(c)(3) or (4) of the IRC and organized for the purposes of establishing, maintaining, and promoting the Ice Age Trail. The corporation must provide \$25,000 in matching funds and submit an annual report to DNR and the Legislature detailing the activities for which the grant was expended. The grant has been awarded to the Ice Age Trail Alliance (formerly the Ice Age Park and Trail Foundation) each year.

*River Alliance of Wisconsin.* The 1999-01 biennial budget provided funds for one or more contracts to federally tax-exempt non-stock, nonprofit corporations as described in section

501(c)(3) or (4) of the IRC that provide organizational and technical assistance to community-based river protection groups. The corporation is required to contribute \$1 for each \$3 in state grant funds. Each year, one contract has been awarded to the River Alliance of Wisconsin.

*County Forests Association.* 2007 Act 20 expanded the eligible uses of county forest administrator grants to include up to 50% of a county's dues to a nonprofit organization that provides leadership, counsel, and continuity to a county forest administrator and their respective forestry committee and also functions as an organizational liaison to DNR. Total grant awards may not exceed \$50,000 annually. Since fiscal year 2007-08, \$50,000 forestry SEG annually has been provided to counties for dues paid to the Wisconsin County Forests Association (WCFA). Under the bill, county forest administrator grants could no longer be used for dues to the WCFA.

*Wild Rivers Interpretive Center.* Since 2007-08, DNR has been directed to provide a GPR grant annually to the Florence Wild Rivers Interpretive Center to be used for park and recreational uses, forestry education, and tourist information provided by the center and for its operational costs. No match is specified.

*Northern Great Lakes Visitor Center - Historical Society.* While not budgeted in DNR, since 1997 forestry account SEG has been provided to the State Historical Society for 1.0 position for interpretive programming at the Northern Great Lakes Visitor Center near Ashland in Bayfield County. The bill would delete this support. [See "Historical Society."]

**Joint Finance/Legislature:** Adopt the Governor's recommendations to repeal the obsolete reference to the payments from the recreational boating project aids appropriation to the Fox River Navigational System Authority and to delete the Sporting Heritage grant.

Restore \$297,000 all-terrain vehicle account SEG annually for the National Off-Highway Vehicle Insurance & Services Group grant. In addition, restore \$50,000 forestry SEG annually to be used for up to 50% of the costs of dues to a county forest organization (Wisconsin County Forests Association) and restore the county administrator grant program language. Further, provide \$22,800 conservation fund SEG annually in a customer service and licensing appropriation for the Wild Rivers Interpretive Center (rather than GPR funding currently). In addition, restore \$75,000 forestry SEG annually for the Great Lakes Timber Professionals - Master Logger program. In addition, clarify that upon completion of the timber study authorized under 2013 Act 20, the GLTPA and the WCFA are required to submit a report of the study results to DNR, the Wisconsin Council on Forestry, and the appropriate standing committees of the Legislature (the administration submitted an errata stating that the reporting requirement was eliminated in error).

Further, restore approximately 90% of funding for the following grants to non-profit conservation organizations: (a) Wisconsin Lakes (\$180,000 water resources SEG annually); (b) Gathering Waters (\$93,400 water resources account and \$31,100 forestry account annually); (c) Natural Resources Foundation (\$75,700 annually split-funded evenly from the water resources and forestry account); (d) Urban Forest Protection (\$66,800 forestry SEG annually); (e) Ice Age Trail Alliance (\$66,800 forestry SEG annually); and (f) River Alliance of Wisconsin (\$62,300 water resources SEG annually). In addition, \$61,100 forestry SEG annually was restored to the State Historical Society for the Northern Great Lakes Center [See "Historical Society"].

**Veto by Governor [H-102]:** Delete funding for the grants (with the exception of the Northern Great Lakes Center) by writing down the associated appropriations by \$1,020,900 SEG each year. In addition, in his veto message, the Governor requests that the DOA Secretary not allot these funds. However, statutory authority for the grants remains. The following table shows the grant amount under the enrolled bill, and as item-vetoed by the Governor.

<u>Grant Recipient</u>	<u>Enabling Statute</u>	<u>Enrolled SB 21</u>	<u>Act 55</u>	<u>Source</u>
National Off-Highway Vehicle Insurance and Services Group	s. 23.33(5m)	297,000	0	ATV SEG
Wisconsin Lakes	s. 281.69(1r)	180,000	0	Water Resources SEG
Great Lakes Timber Professionals - Association - Master Loggers	s. 26.39(7)	75,000	0	Forestry SEG
Gathering Waters, Inc.	s. 23.0955	124,500	0	Water Resources/Forestry SEG
Natural Resources Foundation	s. 23.0956	75,700	0	Water Resources/Forestry SEG
Urban Forest Protection	s. 23.0957	66,800	0	Forestry SEG
Ice Age Trail Alliance	s. 23.295	66,800	0	Forestry SEG
River Alliance of Wisconsin	s. 281.72	62,300	0	Water Resources SEG
County Forests Association	s. 28.11(5m)	50,000	0	Forestry SEG
Wild Rivers Interpretive Center	s. 30.255	<u>22,800</u>	<u>0</u>	Conservation fund SEG
Subtotal DNR		\$1,020,900	\$0	
Northern Great Lakes Center-Historical Society	s. 20.245(1)(y)	<u>52,400</u>	<u>52,400</u>	Forestry SEG
Total		\$1,073,300	\$52,400	

[Act 55 Sections: 1032c thru 1032e, 1057, 3949, and 3950]

[Act 55 Vetoed Sections: 481 (as it relates to s. 20.370(5)(at),(aw),(ax),(ay),(bw),(cx) and 20.370(6)(ar),(aw), and 20.370(9)(mu))]

## 19. SOUTHEASTERN WISCONSIN FOX RIVER COMMISSION

**Joint Finance/Legislature:** Direct DNR to provide a grant for \$200,000 SEG in 2015-16 from the recreational boating aids grant program to the Southeastern Wisconsin Fox River Commission to support ongoing activities consistent with the organization's implementation plan, including: (a) initiating and coordinating surveys and research projects relating to the Southeastern Wisconsin Fox River Basin; (b) acting as a liaison between federal, state, and local agencies, and other organizations involved in protecting, rehabilitating, and managing water resources; and (c) providing public information relating to the Southeastern Wisconsin Fox River.

The Southeastern Wisconsin Fox River Commission was created in 1997 in order to address water resource concerns within the river system. The \$200,000 provided under the Act would bring to \$1,675,000 the total amount provided to the Commission from the water resources account (motorboat gas tax) since its creation.

Under the recreational boating aids grant program, DNR provides grants from the water resources account to municipalities, counties, town sanitary districts, public inland lake

protection and rehabilitation districts, qualified lake associations, the Milwaukee River Revitalization Council, and the Lower Wisconsin State Riverway Board generally for up to 50% of the costs of developing recreational boating facilities approved by the Waterways Commission. Annually, \$400,000 water resources SEG and \$2.5 million in stewardship program bonding is available for recreational boating aids.

[Act 55 Sections: 635, 635d, 9132(4c), and 9432(1c)]

## 20. PAYMENTS TO STATE LAB OF HYGIENE [LFB Paper 686]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
GPR	\$2,662,200	- \$2,662,200	\$0

**Governor:** Provide \$2,662,200 GPR beginning in 2016-17 for payments to the State Laboratory of Hygiene and require the State Laboratory of Hygiene to charge DNR a fee sufficient to reimburse the laboratory for the costs of providing laboratory services.

Under current law, general fund revenues are provided to the UW State Laboratory of Hygiene for lab services provided to DNR under a memorandum of understanding. The bill would transfer the State Laboratory of Hygiene from the UW System to the Department of Agriculture, Trade, and Consumer Protection. The bill would delete GPR funding relating to the State Laboratory of Hygiene from the UW System and provide funding in DNR in a newly created GPR sum certain appropriation for DATCP charges for lab tests.

**Joint Finance/Legislature:** Delete provision.

## 21. ELIMINATE CERTAIN DNR BOARDS AND COUNCILS

**Joint Finance/Legislature:** Eliminate the Managed Forest Land (MFL) Board and the Milwaukee River Revitalization Council within DNR. In its 2015-17 biennial budget request, DOA proposed the elimination of certain boards and councils, which had not met for at least one year, from September, 2013, to September, 2014. [See Administration -- General Agency Provisions].

Under prior law, the MFL Board consisted of the chief state forester or his or her designee and the following members appointed for three-year terms: (a) one member appointed from a list of five nominees submitted by the Wisconsin Counties Association (who serves as chairperson); (b) one member appointed from a list of five nominees submitted by the Wisconsin Towns Association; (c) one member appointed from a list of five nominees submitted by an association that represents the interests of counties that have county forests within their boundaries; and (d) one member appointed from a list of five nominees submitted by the council on forestry. The MFL Board was responsible for awarding grants under the forestry outdoor activities grant program. The program could provide grants to cities, villages, towns, counties, non-profit conservation organizations, and to DNR for the purpose of acquiring easements or purchasing

land for approved outdoor recreational activities including hunting, fishing, hiking, sightseeing, cross-country skiing, and other purposes compatible with these purposes. 2009 Act 28 eliminated all ongoing funding for the program (annual funding of \$1 million) and lapsed unspent funds of \$1 million from the program but the statutory authority for the program remains.

Under prior law, the Milwaukee River Revitalization Council consisted of the Secretary of DNR or his or her designee, the Secretary of Tourism or his or her designee, and eleven members appointed by the Governor for three-year terms (any member absent from four consecutive meetings vacates their position). The statutes required that at least one council member must represent each of the statutorily identified priority watersheds in the Milwaukee River basin. Council duties include advising the Department, the Governor, and the Legislature on matters relating to the environmental, recreational and economic revitalization of the Milwaukee River basin and was required to assist the Department to: (a) develop, provide and disseminate information on the environmental, recreational, economic, and developmental interests of the Milwaukee River basin; (b) assist local governmental agencies during the planning and implementation of specific programs and activities; (c) develop proposals to maximize the use of available local, state, federal and private resources to further the revitalization of the Milwaukee River basin; d develop a Milwaukee River riverway plan that allows and encourages multiple recreational entrepreneurial and cultural activities to take place near the Milwaukee River; and (e) establish a mechanism that allows the plan to be implemented in an aggressive and deliberate fashion. In addition, the Council could do any of the following: (a) work directly with municipalities located in the Milwaukee River basin to develop a single comprehensive land use plan for the Milwaukee River basin; (b) directly advise and make recommendations to municipalities that have jurisdiction over land in the Milwaukee River basin to adopt ordinances or regulations to preserve the environmental, recreational and scenic values of the Milwaukee River basin; (c) directly develop, provide and disseminate information to the public to increase local awareness of recreational and environmental issues affecting the Milwaukee River basin; (d) directly inform or advise municipalities that have jurisdiction over land located outside the Milwaukee River basin as to the impact the development of the land may have on the Milwaukee River basin; and (e) submit a report on activities affecting land and water use in the Milwaukee River basin to the chief clerk of each house of the Legislature, for distribution to the appropriate standing committees. The Council was also eligible to receive grants for recreational boating projects.

[Act 55 Sections: 100m, 108j, 157m, 161m, 634m, 990m, 1065m, 2530m, and 2531c thru 2531w]

## Parks and Forestry

### 1. PARKS FUNDING AND FEE INCREASE [LFB Paper 461]

	<u>Governor</u> <u>(Chg. to Base)</u>		<u>Jt. Finance/Leg.</u> <u>(Chg. to Gov)</u>		<u>Net Change</u>	
	<u>Funding</u>	<u>Positions</u>	<u>Funding</u>	<u>Positions</u>	<u>Funding</u>	<u>Positions</u>
SEG-REV	\$3,780,000		\$3,906,300		\$7,686,300	
GPR	- \$9,337,600	- 44.68	\$0	0.00	- \$9,337,600	- 44.68
SEG	<u>6,449,000</u>	<u>44.68</u>	<u>2,888,600</u>	<u>0.00</u>	<u>9,337,600</u>	<u>44.68</u>
Total	- \$2,888,600	0.00	\$2,888,600	0.00	\$0	0.00

**Governor:** Delete \$4,668,800 GPR annually and 44.68 positions for operation of state parks and recreation areas and provide \$3,224,500 parks account SEG annually and 44.68 positions. In addition, increase annual state park and forest vehicle admission fees by \$3, and nightly state park and forest camping fees by \$2 as shown in the following table.

#### State Park and Forest Admission and Camping Fees -- Governor

<u>Vehicle Admissions</u>	<u>Current Law</u>	<u>Governor</u>	<u>Change</u>
<b>Resident</b>			
Annual	\$25.00	\$28.00	\$3
Additional Annual	12.50	15.50	3
Daily Auto	7.00	7.00	0
Daily Bus	10.00	10.00	0
Senior Annual	10.00	13.00	3
Senior Daily	3.00	3.00	0
One Hour Admission	5.00	5.00	0
<b>Nonresident</b>			
Annual	\$35.00	\$38.00	\$3
Additional Annual	17.50	20.50	3
Daily Auto	10.00	10.00	0
Daily Bus	14.00	14.00	0
One Hour Admission	5.00	5.00	0
<b><u>Camping Fees*</u></b>			
Resident, Per Night**	\$12.00 - 15.00	\$14.00 - \$17.00	\$2
Non-Resident, Per Night**	14.00 - 17.00	16.00 - 19.00	2

\*DNR may charge additional fees based on campground amenities.

\*\*The upper end of these ranges reflect \$3 per night higher fees for camping at the following places: Big Bay State Park; Black River State Forest (select campgrounds); Devil's Lake State Park; Copper Falls State Park; Council Grounds State Park; Governor Dodge State Park; Hartman Creek State Park; High Cliff State Park; Kohler-Andrae State Park; Mirror Lake State Park; Newport State Park; Pattison State Park; Northern Highlands-American Legion SF (select campgrounds); Peninsula State Park; Point Beach State Forest; Potawatomi State Park; and Willow River State Park.



Parks account SEG revenues are generated primarily by motor vehicle admission fees to state parks and camping site fees. The bill would increase annual state parks vehicle admission fees by \$3 and nightly state park and forest camping fees by \$2 [while the base statutory nightly camping fees would be increased by \$2 under the bill, the Department has authority under administrative rule to charge additional fees based on campground amenities (for example, \$5 per night for electricity)]. The administration estimates the increased fees will generate approximately \$1,890,000 (\$815,000 from vehicle admission stickers and \$1,075,000 from campsite fees) in annual increased revenues to the parks (\$1,350,000) and forestry (\$540,000) accounts beginning in fiscal year 2015-16.

1995 Act 27 eliminated the requirement that state park operations be funded equally from the parks account and the general fund. For 2014-15, approximately 28% of the state park \$16.7 million budget for direct operations is GPR supported (\$4.6 million) and approximately 72% is parks SEG-supported (\$12.1 million). The bill would remove all GPR support for parks operations. The \$1.4 million annual reduction in the parks operations budget under the bill would be related to supplies and services (\$969,100), LTE salary and fringe benefits (\$418,000), and permanent property (\$57,200).

### **Joint Finance/Legislature:**

*Funding and Report.* Adopt the Governor's recommendation to delete GPR funding and positions for operation of state parks and recreation areas. However, provide an additional \$1,444,300 parks SEG annually to restore overall base-level funding for state park and trail operations. Also, require DNR to study and prepare a report regarding potential additional sources of revenue for parks operations and maintenance. Require the study to include, at a minimum, revenue estimates for a program under which a person may voluntarily purchase a state park vehicle admission sticker when the person registers a vehicle with the Department of Transportation and revenue estimates for increased camping fees at state parks based on local market conditions or seasonal demand, the amenities or facilities offered by a park, or other features or conditions of a park. Require DNR to report the results of the study, and recommendations for closing any structural imbalance in the parks account, to the Governor, the Joint Committee on Finance, and the appropriate standing committees of the Legislature, by December 1, 2016.

*Admission and Trail Pass Fees.* Adopt the Governor's recommendation to increase annual state park and forest vehicle admission fees by \$3, but specify that these fee increases be effective January 1, 2016. Further, increase resident and non-resident daily and bus admissions by \$1. Specify that the Department issue a state trail pass for a fee of \$5 for a daily and \$25 for an annual state trail pass. Specify that the vehicle admission and trail pass fees be effective January 1, 2016.

*Camping Fees and Campsite Electric Fee.* Eliminate the references to Type "A", "B", and "C" campsites and specify that base fees for a campsite in Wisconsin be not less than \$15 but not more than \$20 per night for residents and not less than \$19 but not more than \$25 per night for nonresidents as determined by the Secretary of DNR. Specify that administrative rules are not required for action taken by the Department to implement these fees. In addition, specify that the

DNR Secretary may raise or lower the nightly camping rates by \$5 above or below these ranges. Further, specify that the additional nightly camping fee for electricity be \$10 (rather than the \$5 currently specified in administrative rule).

Under the Act, 2016-17 parks account revenues would be expected to total approximately \$19.4 million while authorized expenditures would total approximately \$21.2 million. The account would be expected to have an available balance of approximately \$1.9 million on June 30, 2017. The following table shows state park and forest admission, trails, and camping fees under current law, the Governor's recommendation, and Act 55.

### State Park and Forest Admission, Trails, and Camping Fees

	Current <u>Law</u>	<u>Governor</u>	Joint Finance/ <u>Act 55</u>	Act 55 Change to <u>Current Law</u>	2015-16 <u>Increase</u>	2016-17 <u>Increase</u>
<u>State Park Vehicle Admissions</u>						
<b>Resident</b>						
Annual	\$25.00	\$28.00	\$28.00	\$ 3.00	\$175,000	\$350,000
Additional Annual	12.50	15.50	15.50	3.00	48,000	95,000
Daily Auto	7.00	7.00	8.00	1.00	75,000	150,000
Daily Bus	10.00	10.00	11.00	1.00	200	400
Senior Annual	10.00	13.00	13.00	3.00	37,000	75,000
Senior Daily	3.00	3.00	3.00	--	--	--
<b>Non-Resident</b>						
Annual	\$35.00	\$38.00	\$38.00	\$3.00	\$37,500	\$75,000
Additional Annual	17.50	20.50	20.50	3.00	2,500	5,000
Daily Auto	10.00	10.00	11.00	1.00	63,000	125,000
Daily Bus	14.00	14.00	15.00	1.00	100	100
<b>Trail Pass*</b>						
Annual	\$20.00	\$20.00	\$25.00	\$ 5.00	\$147,000	\$172,000
Daily	4.00	4.00	5.00	1.00	<u>43,000</u>	<u>43,000</u>
Subtotal Admission and Trail Pass Revenues					\$628,300	\$1,090,500
<u>State Park and Forest Camping Fees</u>						
Resident, Per Night**	\$12.00 or 15.00	\$14.00 or \$17.00	\$15 to \$20	\$3 to \$8	**	**
Non-Resident, Per Night**	14.00 or 17.00	16.00 or 19.00	\$19 to \$25	\$5 to \$11	**	**
Subtotal Base Camping Increase					1,265,000	1,350,000
<u>Additional Camping Fees</u>						
Electricity*	5.00	5.00	10.00	5.00	625,000	665,000
Water View	3.00	3.00	3.00	0.00		
Reservation Fee	9.70	9.70	9.70	0.00		
Total Parks Revenue					\$2,518,300	\$3,105,500
Governor's Bill					<u>-1,350,000</u>	<u>-1,350,000</u>
Net Revenue Increase (Change to Governor)					\$1,168,300	\$1,755,500
Total Forestry Revenue			\$917,500		\$1,145,000	
Governor's Bill					<u>-540,000</u>	<u>-540,000</u>
Net Revenue Increase (Change to Governor)					\$377,500	\$605,000

\* The state trail pass fees and campsite nightly fee for electricity would be set in statute rather than rule.

\*\* The upper end of these ranges under current law reflects \$3 higher fees for camping at the following places: Big Bay State Park; Black River State Forest (select campgrounds); Devil's Lake State Park; Copper Falls State Park; Council Grounds State Park; Governor Dodge State Park; Hartman Creek State Park; High Cliff State Park; Kohler-Andrae State Park; Mirror Lake State Park; Newport State Park; Pattison State Park; Northern Highlands-American Legion SF (select campgrounds); Peninsula State Park; Point Beach State Forest; Potawatomi State Park; and Willow River State Park.

Under prior law, the Department was authorized to establish a state trail pass fee through administrative rule. Previously an annual trail pass was \$20 and a daily trail pass was \$4. The Act statutorily specifies that DNR issue an annual state trail pass for a fee of \$25 and a daily pass for a fee of \$5. In total, these admission fee increases would be expected to generate increased revenues to the parks account of approximately \$628,300 in fiscal year 2015-16, and \$1,090,500 in fiscal year 2016-17 (the Governor's bill included an estimated increase of \$600,000 annually in increased admission fee revenues).

Under prior law, campgrounds were classified in statute as being type "A", type "B", or type "C". However, these classifications were not defined in statute and had not been utilized by the Department in recent years. The Act deletes the classifications and specifies a range of nightly camping fees for resident and non-resident camping, to be determined by the Secretary, as shown in the table. Action taken by DNR to implement the camping fees within the specified range would not require the Department to promulgate administrative rules.

Currently, the statutes offer the Department flexibility with regard to charging additional camping fees beyond the base fees established in statute. Section 27.01(10)(h) of the statutes specifies that DNR determine which state campgrounds are located in areas where local market conditions justify the establishment of higher camping fees and promulgate rules to establish such fees. The Department established this fee in s. NR.45.12(2)(b)(5) of the administrative code as a \$3 fee per night for camping at campgrounds classified as "high demand", and over time the Department has added many properties and campgrounds to the list of those classified as high demand so that there are now very few properties and/or sites that are not classified as high demand. Additionally, the Department is currently statutorily authorized to waive camping fees, charge additional camping fees, or charge special fees instead of camping fees for certain classes of persons or groups, certain areas, certain types of camping, or times of the year and for admission to special events. The Department currently utilizes this authority for several purposes including charging a \$3 fee for water view campsites, a \$5 fee for electricity, and certain other fees for group camping. Other provisions authorize the Department to charge an additional fee of \$1 for each pet accompanying a camping party and an additional \$1 per night per camping party for a Friday, Saturday, or Sunday night. However, the Department has not utilized the pet or weekend authority. Under Act 55, the authority to charge these additional fees remains.

The Department indicates it would not initially charge camping fees beyond the range specified in statute (\$15 to \$20 resident, \$19 to \$25 non-resident), with the exception of the \$3 water view (which would remain in administrative rule) and the \$10 electric fee (which would be specified in statute). The Department indicates that nightly fees would vary within the specified range depending on the location of the park, demand, and season. DNR estimates the nightly camping fee increases under the provision would generate approximately \$1,265,000 in fiscal year 2015-16 and \$1,350,000 in fiscal year 2016-17 (the original bill included estimated increased nightly camping fee revenues of \$750,000 annually). In addition, the increase in the electric fee from \$5 to \$10 would be expected to generate approximately \$625,000 in fiscal year 2015-16 and \$665,000 in fiscal year 2016-17.

Overall, the Act would be expected to generate increased revenues to the parks account of approximately \$2.5 million in 2015-16 and \$3.1 million in 2016-17 as shown in the table

(compared to \$1.35 million annually under the original bill) and increased revenues to the forestry account of approximately \$377,500 in 2015-16 and \$605,000 in 2016-17. It should be noted that the increased revenues from the proposed ranges in resident and non-resident nightly camping fees shown in the table are based on DNR projected revenues given the Department's initial assessment of the fees the Department would expect to charge at state park and forest properties depending on the location of the park or forest, demand, and season.

[Act 55 Sections: 1037 thru 1046j, 3580m, 9132(4f), and 9432(2f)]

## 2. STATE PARK, FOREST, AND RIVERWAY ROADS [LFB Papers 460 and 462]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
GPR	- \$4,000,000	\$0	- \$4,000,000
SEG	<u>0</u>	<u>4,000,000</u>	<u>4,000,000</u>
GPR	- \$4,000,000	\$4,000,000	\$0

**Governor:** Delete \$2,000,000 GPR annually for state park, forest, and riverway road maintenance. (The statutory authority for the GPR appropriation would remain; however no GPR funding would be provided during the 2015-17 biennium.)

Under current law, \$2,000,000 GPR annually is provided in a continuing appropriation for state park and forest roads and roads in the lower Wisconsin state riverway. The Department is currently required to expend not less than one-third of the amounts from this appropriation in each fiscal year for the renovation, marking, and maintenance of a town or county highway located within the boundaries of a state park, state forest, or other property under the jurisdiction of DNR or for the renovation, marking, and maintenance of roads which DNR certifies are utilized by a substantial number of visitors to state parks, state forests, or other DNR properties. The bill would delete ongoing funding from the appropriation.

**Joint Finance/Legislature:** Provide \$2,000,000 forestry SEG annually in a new continuing appropriation and specify that funds from this appropriation, in addition to funds from the current law GPR appropriation (budgeted at \$0 GPR), may be utilized for state park, forest, and riverway road maintenance.

[Act 55 Sections: 640g, 640r, and 2569m]

## 3. PARKS AND SOUTHERN FORESTS OPERATIONS [LFB Paper 463]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
SEG	\$300,000	- \$3,000	\$297,000

**Governor:** Provide \$150,000 annually for limited-term employees, utilities, fleet expenses, and supplies to operate several new facilities and campgrounds at 14 state parks, four state recreation areas, three southern state forests and one state trail as follows [a technical

correction is needed to provide the correct funding split between the parks account (\$115,000 annually) and forestry account (\$35,000 annually)]:

**Joint Finance/Legislature:** Adopt the Governor's recommendation, as corrected. However, delete \$3,000 parks SEG in 2015-16 related to a delayed toilet/shower building project at Wyalusing State Park.

<u>Park/Recreation Area</u>	<u>Facilities</u>	<u>Annual Amount</u>
Amnicon Falls	Park Entrance & Visitor Station	\$5,000
Big Foot Beach	Toilet/Shower Building	3,000
Blue Mound	Gathering Center	5,000
Buckhorn	Park Entrance & Visitor Station	5,000
	New Campground (60 Units)	10,000
	2 Vault Toilets	5,000
	Toilet/Shower Building	3,000
	Dump Station	2,500
Chippewa Moraine State Recreation Area	Maintenance	3,000
Devil's Lake	3 Vault Toilets	7,500
	2 Toilet/Shower Buildings	6,000
Governor Thompson	Park Entrance & Visitor Station	5,000
	Maintenance	3,000
	Vault Toilet	2,500
Harrington Beach	Vault Toilet	2,500
	Accessible Cabin	1,500
Kettle Moraine State Forest - Lapham Peak Unit*	Snowmaking Equipment	5,000
	Lighted Ski Track	2,500
Kettle Moraine State Forest- Northern Unit*	Vault Toilet	2,500
Kettle Moraine State Forest- Southern Unit*	Boat Launch	5,000
	2 Toilet Buildings	4,000
	New Campsites	1,000
Lake Kegonsa	Park Entrance & Visitor Station	5,000
Lake Michigan Water Trail	Maintenance	3,000
Menominee River State Recreation Area	Maintenance	3,000
Mirror Lake	Dump Station	2,500
Peninsula	Boat Launch/Shore Fishing	3,000
Rib Mountain	Gathering Center	5,000
	Park Entrance & Visitor Station	5,000
Richard Bong State Recreation Area*	2 Vault Toilets	5,000
	Toilet/Shower Building	3,000
	ATV Trail	3,000
	Toilet Building	2,000
	Wolf Lake Dam	1,000
	Rocket Launch Facility	1,000
Sauk Prairie State Recreation Area	Maintenance	3,000
Straight Lake	Park Entrance & Visitor Station	5,000
	2 Vault Toilets	5,000
Willow River	Toilet/Shelter Building	3,000
Wyalusing	Toilet/Shower Building	3,000**
Total		\$150,000

\*Funded from the forestry account.

\*\*2015-16 funding deleted by Joint Finance to reflect an expected delay in completion of the project.

#### 4. PARKS AND SOUTHERN FORESTS UTILITIES COSTS

SEG	\$360,800
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**Governor/Legislature:** Provide \$180,400 annually (\$97,500 from parks and \$82,900 from forestry) to support increased costs associated with fuel and utilities at newer state park, trail and southern state forest properties. Since fiscal year 2000, the Department has added multiple properties to the state park (and trail) and southern forest system including six new state park and southern forest properties (Cross Plains State Park, Glacial Heritage Area-Conservation Park, Straight Lake State Park, Menominee River State Recreational Area, Sauk Prairie State Recreational Area, and Kettle Moraine Springs State Forest- Mukwonago River Unit), as well as the Hank Aaron State Trail, 76 state Ice Age Trail Areas and new facilities at multiple properties. In addition, electrified campsites have been added at several parks and southern forests, which have increased utility costs (2009 Act 28 increased the cap on electrical state park campsites maintained by the Department from 25% to 30%). From 2007 to 2014, parks and southern forests utility and fuel expenditures increased by \$304,000. Despite increased funding provided in the 2007-09 and 2009-11 biennial budgets, the Department expects a shortfall of \$180,400 annually in utility and fuel costs for the parks and southern forest system properties.

#### 5. PARKS AND SOUTHERN FORESTS GIS AND GPS

SEG	\$200,000
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**Governor/Legislature:** Provide \$50,000 parks SEG and \$50,000 forestry SEG annually for additional LTE staff and equipment to perform geographical information system (GIS) and global positioning system (GPS) activities. The data would to be used to determine property boundaries, enhance master planning efforts, map facilities, and plan future land management actions.

#### 6. PARKS COMPUTERS

SEG	\$94,800
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**Governor/Legislature:** Provide \$47,400 parks SEG in one-time funding in fiscal years 2015-16 and 2016-17 for the first two years of a four year master lease for the purchase of 37 tablet computers and associated equipment for parks law enforcement personnel. Current equipment is over five years old and has exceeded its warranty.

#### 7. FORESTRY EQUIPMENT MASTER LEASES

SEG	\$220,400
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**Governor/Legislature:** Provide \$110,200 forestry SEG in one-time funding in fiscal years 2015-16 and 2016-17 for the first two years of four-year master leases for the purchase of field data recorders for forestry staff and tablet computers for forestry law enforcement personnel. Funding includes \$76,900 in each year for the purchase of 180 field data recorders and associated software for forestry staff to use to gather data electronically and input the data into existing databases. Currently, forestry staff utilize several different methods to collect field data. The recorders would provide a consistent method of data collection and management. Funding also includes \$33,300 each year for the purchase of 26 tablets and associated equipment for forestry law enforcement personnel.

## 8. FOREST FIRE PROTECTION GRANT APPROPRIATION

**Governor/Legislature:** Convert the forest fire suppression (forest fire protection) forestry account grant appropriation under s. 20.370(5)(by) of the statutes from an annual to a biennial appropriation.

DNR may award grants for up to 50% of the costs of purchasing fire resistant clothing and fire suppression supplies, equipment, training, and vehicles. Funds are available to cities, villages, towns, counties and fire suppression organizations that enter into a written agreement to assist DNR in the suppression of forest fires when requested. Approximately \$497,000 annually is currently available for the program (\$170,000 SEG and \$327,000 FED). Currently, as an annual appropriation, unencumbered SEG funds at the end of each fiscal year are lapsed to the balance of the forestry account. The Act would convert the SEG appropriation to biennial, where unencumbered funds at the end of the biennium would lapse to the balance of the forestry account.

[Act 55 Section: 634]

## 9. URBAN FORESTRY GRANT ELIGIBILITY [LFB Paper 464]

**Governor:** Require DNR to award urban forestry grants to counties, cities, villages, towns, and nonprofit organizations for up to 50% of the cost of removing, saving, and replacing trees in urban areas that have been damaged by disease, infestation, or catastrophic storm events.

Under current law, the Department awards urban forestry grants to cities, villages, towns, counties, tribal governments and non-profit organizations for up to 50 percent of the cost of various projects, including tree management plans, tree inventories, brush residue projects, the development of tree management ordinances, tree disease evaluation, public education relating to trees in urban areas and other related projects. Under administrative rule, the minimum grant is \$1,000 and the maximum grant is \$25,000. DNR may also award grants under the urban forestry grant program to counties, cities, villages, towns, nonprofit organizations, and tribal governments for the costs of removing, saving, and replacing trees that have been damaged by catastrophic storm events in urban areas if the Governor has declared an emergency. No match is required for storm emergency grants.

The bill would limit urban forestry grants to counties, cities, villages, towns, and nonprofit organizations for up to 50% of the cost of removing, saving, and replacing trees in urban areas that have been damaged by disease, infestation, or catastrophic storm events.

**Joint Finance/Legislature:** Delete provision.

## 10. RELOCATION OF DIVISION OF FORESTRY HEADQUARTERS PLAN

**Governor/Legislature:** Require the Department of Natural Resources to develop a plan to move the headquarters of the Division of Forestry from the City of Madison to a northern location in Wisconsin. Specify that the plan must provide, in detail, the costs of relocating the

headquarters, a timeline for implementing the relocation, and a list of options for northern locations in Wisconsin. Require the plan to be completed in time to be included in the DNR 2017-19 biennial budget request.

[Act 55 Section: 9132(1)]

# **11. MANAGED FOREST LAW TIMBER CUTTING NOTICES [LFB Paper 465]**

	Funding	Positions
SEG	- \$649,000	- 4.00

**Governor:** Delete 4.0 positions and \$324,500 forestry SEG annually. Further, specify that an owner who intends to cut merchantable timber on managed forest land (MFL) is not required to obtain approval from DNR if the owner is required under the terms of an approved management plan to cut merchantable timber and a cooperating forester provided the required notice of intent to cut to the Department. Also, specify that, if a cooperating forester submits the timber cutting notice, all cutting specified in the notice must begin within one year after the date on which the notice is filed. In addition, while not included in the bill, the administration indicates they have directed DNR to allow cooperating foresters to complete the natural heritage review inventory process required before timber harvests. DNR foresters currently perform this review.

Current law requires a landowner with land enrolled in the MFL program who intends to cut merchantable timber to file a notice of intent to cut the timber and request DNR approval of the proposed cutting. All cutting specified in the notice is required to begin within one year after the date the proposed cutting is approved. The bill would provide that, if the cutting is required under the terms of an MFL management plan, the owner is not required to obtain DNR approval of the cutting if the required notice of the intent to cut the timber is provided by a cooperating forester, and would require all cutting specified in that notice to begin within one year after the date on which the notice was filed. Under administrative rules, cooperating foresters must apply to DNR and, if approved, enter into a cooperating forester agreement with the Department. To qualify, cooperating foresters are required to have a bachelor's or higher degree in forestry from a school with an approved forestry curriculum and must complete at least 10 hours of DNR approved training annually.

Also, currently, prior to any land management activity, the Department reviews data from the natural heritage inventory to determine whether there may be any endangered or threatened species present for which an incidental take permit or other actions may be required (the natural heritage inventory program maintains data on the locations and status of rare species, natural communities and natural features throughout Wisconsin). For timber harvests, the review is currently performed by DNR foresters. The administration estimates that the shift of certain cutting notices and natural heritage inventory review prior to timber cutting from DNR foresters to cooperating foresters would result in a workload reduction of approximately 4.0 FTE.

**Joint Finance/Legislature:** Adopt the Governor's recommendation. Further, specify that an owner who intends to cut merchantable timber on managed forest land (MFL) is not required to obtain approval from DNR if the owner is required under the terms of an approved management plan to cut merchantable timber and a cooperating forester or a forester accredited



by the Society of American Foresters, Wisconsin Consulting Foresters, or Association of Consulting Foresters, provided the required notice of intent to cut to the Department.

In addition, specify that for land enrolled in the forest crop law (FCL) program, if the cutting notice is provided to DNR by a cooperating forester, or a forester accredited by the Society of American Foresters, Wisconsin Consulting Foresters, or Association of Consulting Foresters, DNR may not prescribe the amount of forest products to be removed, and if the Department finds that the cutting is inconsistent with sound forestry practices, the landowner is liable for double the severance (yield) tax on the timber harvested and subject to withdrawal from the FCL program. Also specify that all cutting specified in the notice must begin within one year after the date on which the notice is filed by an accredited forester.

[Act 55 Sections: 2515c thru 2515f and 2527 thru 2530]

**12. MANAGED FOREST LAW CLOSED ACREAGE FEES**  
[LFB Paper 460]

SEG	\$2,000,000
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**Joint Finance/Legislature:** Require DNR to provide \$1 million in fiscal year 2015-16 and \$1 million in fiscal year 2016-17 in one-time funding from the forestry account to municipalities based on the acres of managed forest law land designated as closed. Specify that the taxation district or municipality in which the land is located retain 80% of the revenues and remit 20% of the fees to the county.

Under current law, a landowner has the option of designating a maximum of 160 acres per municipality as closed to public access if an additional fee is paid for each acre closed to public access (2003 Act 228 increased the amount of allowable closed acres from 80 to 160). Currently, for each acre of MFL land closed to the public (for land entered after 2004), the closed acreage fee is equal to 20% of the average statewide property tax per acre of property assessed as productive forest land (20% of the 2011-12 average of \$42.70 per acre). The fee currently is \$1.08 per acre for lands entered into the program between 1987 and 2004, and \$8.54 per acre for lands entered after 2004 (for a total annual per acre fee of \$10.68). The rates are adjusted every fifth year using a formula that accounts for changes in the average statewide property tax for undeveloped lands. Revenues from closed-acreage payments are currently deposited as general revenues to the forestry account.

[Act 55 Sections: 632m and 2530m thru 2530q]

**13. MANAGED FOREST LAW GROUP CERTIFICATION OPT-IN**

**Joint Finance/Legislature:** Specify that if the Department establishes a group certification program under which land designated as managed forest land may be certified as meeting certain forest management standards, DNR may enroll MFL land in the program only if the owner of the MFL land affirmatively elects to have the land enrolled.

[Act 55 Section: 2531x]

#### 14. GOOD NEIGHBOR AUTHORITY

SEG	\$395,000
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**Joint Finance/Legislature:** Provide \$395,000 forestry SEG in fiscal year 2015-16 in general forestry operations funding for DNR contracts under the Good Neighbor Authority program. Specify that the Department may conduct certain forest management activities on federal land (national forests and other public lands administered by the U.S. Secretary of the Interior), as permitted by federal law, under a cooperative agreement between the DNR Secretary or the Governor and the Secretary of the U.S. Department of Agriculture, including harvesting and selling timber, activities that promote artificial and natural forest regeneration, and other activities to restore or improve the health of forests and forest watersheds, including fish and wildlife habitat in those forests and watersheds. Action taken by DNR related to the administration or implementation of the cooperative agreement would not require the Department to promulgate administrative rules. In addition, specify that DNR may, as permitted by federal law, contract with a county, private forester, or private contractor for the purpose of conducting forest management activities on federal land under a cooperative agreement. Further, specify that DNR shall pay the initial costs of administering and implementing the cooperative agreement and contracts from the forestry account general forestry operations appropriation.

Place \$355,000 forestry SEG in 2016-17 in the Joint Committee on Finance segregated funds general program supplementation appropriation. Further, require the Department to submit a report on activities supported by the initial funds to the Joint Committee on Finance before January 1, 2016. Specify that the report include a plan for the use of fiscal year 2016-17 funding. In addition, require the Department to submit to the Joint Committee on Finance before January 1, 2016, a written request to supplement the appropriation under s. 20.370 (1) (mv) for the 2016-17 fiscal year for the purpose of paying the initial costs of administering and implementing a Good Neighbor Authority cooperative agreement and any contracts entered into under the program. If the Co-chairpersons of Joint Finance do not notify the Department that the Committee has scheduled a meeting for the purpose of reviewing the request within 14 working days after the date on which the Department submits the request, the supplement is approved. If, within 14 working days after the date on which DNR submits the request, the Co-chairpersons notify DNR that the Committee has scheduled a meeting for the purpose of reviewing the request, the supplement may occur only as approved by the Committee.

Create an appropriation for deposit of all moneys received from the sale of timber from federal land under the cooperative agreement to be used to administer, implement, and pay costs associated with the cooperative agreement and contracts. However, require that on June 30 of each fiscal year, 10 percent of the revenue received by DNR in that fiscal year from the sale of timber from federal land under a cooperative agreement lapse to the balance of the forestry account, until the amount lapsed reaches \$750,000.

The Good Neighbor Authority is a U.S. Forest Service program which allows the Forest Service to enter into cooperative agreements or contracts with states to allow the states to perform watershed restoration and forest management services on National Forest (and certain other federal) lands.

[Act 55 Sections: 619m, 621m, 1050m, 3581m, and 9132(4v)]

## 15. NORTHERN STATE FORESTS MASTER PLANS AND TIMBER PRODUCTION

**Joint Finance/Legislature:** Require DNR to increase the percent of overall Northern State Forest property acres classified by the Department as forest production areas from 67% to 75% (approximately 37,500 additional acres), with the exception of Governor Knowles State Forest (Burnett and Polk Counties). Require DNR to amend master plans for all the Northern State Forests, except Governor Knowles State Forest, by March 1, 2017 so that 75% of all the land in those state forests combined is classified as a forest production area. Northern State Forests would include all state forests located outside the 16-county region composed of Calumet, Dodge, Fond du Lac, Jefferson, Kenosha, Manitowoc, Milwaukee, Outagamie, Ozaukee, Racine, Rock, Sheboygan, Walworth, Washington, Waukesha, and Winnebago Counties.

In addition, specify that any land classified as a forest production area may not be classified under any other land management classification. Specify that in a DNR-prepared plan for each Northern State Forest (master plan), the primary management objective of a forest production area relates to the production of timber and other forest products. Further, require DNR to establish the primary management objective of a forest production area to be the production of timber and other products, and require DNR to maximize timber production on forest production areas while using accepted silvicultural practices. With respect to managing a forest production area, specify the following: (a) that the specific objective for any given forest production area may vary taking into consideration only the site's capability to produce timber, the type of timber produced in the area, the market for forest products, and the economy; (b) that DNR may establish the specific objective of extracting economic value from land while managing for timber products; and (c) that DNR may authorize any management activity or technique that is consistent with the management objective specified in the master plan for the area, and is compatible with the area's ecological capability and the practice of forestry. Further, specify that the Department may not do any of the following with respect to managing a forest production area: (a) authorize or prescribe timber management techniques and activities, including commercial timber harvests, that are not consistent with the specific management objectives in the master plan and with locally accepted timber production practices common to the industry; and (b) use management activities or techniques in the area that are not authorized in the plan for that area. Specify that the Department propose a variance to the master plans of all Northern State Forest by June 30, 2016, with the exception of Governor Knowles State Forest, to incorporate the provisions related to requirements for land classified as a forest production area. These provisions related to requirements for land classified as a forest production area would first apply to a master plan prepared, amended, or revised, or for which a variance is approved, on the effective date of the Act.

Under administrative code NR 44.04(1)(d), "Master plan variance" or "plan variance" means a change in management activity or use described in the master plan that is consistent with the area's land management classification and does not constitute a change in an objective for management or public use of the area as specified in the plan.

Currently 67% of Northern Forest acres (excluding Governor Knowles State Forest) include the designation of forest product management area. The provision would require DNR to

increase to 75% the acres designated as solely forest production areas, with the exception of Governor Knowles State Forest. Currently, s. NR 44.06(4) of the administrative code specifies the master plan for a forest production area be consistent with the following terms. (a) *Management objective*. The management objective of a forest production area is the sustainable production of timber and other forest products. The specific objective for any given forest production area may vary depending on site capability, timber types, markets, societal needs, desired associated benefits, the desired future forest conditions, adjacent land uses and local economic conditions. In addition, under limited, special circumstances, specified in the master plan, the following may be forest management objectives: (1) in areas of high recreational use and where site conditions allow, manage to produce timber on extended rotations in a manner that promotes long-term visual appeal; or, (2) while managing for timber products, promote the production and maintenance of certain ecological attributes that are characteristic of older forests. (b) *Management*. A master plan may authorize any management activity or technique that is consistent with the management objective specified in the master plan for the area, and is compatible with the site's ecological capability and the practice of sustainable forestry. Only those management activities or techniques identified by the master plan for the management area may be pursued. (c) *Master plan components*. In addition to the plan components (short-term and long-term management objectives, resource management, resource development, and recreation and public use), the master plan must identify the predominant timber types and the desired future timber types and stand conditions for the area.

**Veto by Governor [H-98]:** Delete the specified dates by which DNR is required to amend master plans (March 1, 2017) related to the required percent of state forests classified as a forest production area, and the date by which the Department is required to propose a variance to the master plans (June 30, 2016), related to incorporating provisions related to requirements for land classified as a forest production area, for the specified Northern State Forests. In his veto message, the Governor directs DNR to amend the master plans and propose the variance by June 30, 2017.

[Act 55 Sections: 1047m, 9132(4vw)&(4vx) and 9332(2u)]

[Act 55 Vetoed Sections: 9132(4vw)&(4vx)]

## 16. SILVICULTURE AND RECREATIONAL TRAILS

**Joint Finance/Legislature:** Specify that the Department may not prohibit a person engaged in silviculture from crossing a recreational trail on DNR property (property that is owned by the state, under the jurisdiction or control of the Department). In addition, require DNR to, at the request of a person engaging in silviculture, temporarily close a portion of a recreational trail on Department property. Before the recreational trail is reopened, require the person engaging in silviculture affecting the recreational trail to restore any portion of the recreational trail affected by the silvicultural activities to its condition prior to those activities. In addition, specify that DNR may not limit the scope of a silvicultural activity on Department property based on the proximity of that activity to a recreational trail on DNR property.

[Act 55 Section: 974m]

## 17. FORESTRY ACCOUNT AUDIT

**Joint Finance/Legislature:** Request that the Joint Legislative Audit Committee direct the Legislative Audit Bureau (LAB) to perform an audit of the forestry account of the conservation fund. If the Committee directs the Legislative Audit Bureau (LAB) to perform an audit, require LAB to file its audit report on or before June 30, 2017.

**Veto by Governor [H-99]:** Delete provision.

[Act 55 Vetoed Section: 9132(3f)]

## Fish, Wildlife, and Recreation

### 1. FISH AND WILDLIFE ACCOUNT CONDITION [LFB Paper 470]

	Funding	Positions
SEG	- \$1,005,100	- 13.35

**Joint Finance/Legislature:** Delete \$1,005,100 fish and wildlife SEG in 2016-17 and 13.35 vacant positions. In addition, require DNR, to, in consultation with stakeholders, including hunters, anglers, trappers, and conservationists, prepare a report on a plan to address the imbalance in the fish and wildlife account. Require the report to include recommendations for program reductions and hunting and fishing approval fee increases necessary to bring the ongoing revenue and expenditure level into balance. Require the Department to submit the report to the Joint Committee on Finance by January 1, 2017. Estimated revenues of \$73 million in 2016-17 are expected to exceed expenditures authorized under the Act, totaling almost \$76 million, by approximately \$3 million, as shown in the following table.

#### Fish and Wildlife Account Condition Act 55

	<u>2015-16</u>	<u>2016-17</u>
Opening Balance	\$19,720,000	\$16,390,000
<b>Revenue:</b>		
Licenses	64,510,000	64,260,000
All Other	<u>8,780,000</u>	<u>8,780,000</u>
Total Revenue	\$73,290,000	\$73,040,000
<b>Authorized Expenditures*</b>	\$76,620,000	\$75,860,000
Cash Balance	\$16,390,000	\$13,570,000
Encumbrances/Continuing Balance	<u>15,650,000</u>	<u>15,650,000</u>
Available Balance	\$740,000	-\$2,080,000

\*Authorized expenditure levels, however, DNR would be required to reduce actual expenditures by over \$2 million during the biennium in order to maintain a positive balance.

[Act 55 Section: 9132(1v)]

## 2. WISCONSIN WALLEYE INITIATIVE FUNDING ADJUSTMENT

GPR	- \$2,000,000
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**Governor/Legislature:** Delete \$1 million GPR annually originally provided for walleye population maintenance and enhancement grants (infrastructure/capacity grants) to municipal fish hatcheries. The grant recipients are contractually obligated to sell an agreed upon number of large walleye fingerlings back to DNR for three years after their project is completed (contingent on available funding).

### Wisconsin Walleye Initiative Funding

	2013 Act 20		Governor		
	2013-14	Annually Beginning in 2014-15	Annually Beginning in 2015-16	Annual Funding Adjustment	Source
Hatchery Operations	\$626,000	\$1,230,300	\$1,230,300	\$0	GPR
Population Maintenance and Enhancement Grants	1,000,000	1,000,000	0	-1,000,000	GPR
Contracts	0	500,000	500,000	0	GPR
UW Extension Private Fish Farms	160,000	0	0	0	GPR
Tribal Youth Program	250,000	250,000	250,000	0	GPR
Total	\$2,036,000	\$2,980,300	\$2,080,300	-\$1,000,000	GPR

## 3. URBAN BOWHUNTING

**Joint Finance/Legislature:** Specify that if a local governmental unit has in effect on or after the effective date of the Act, a restriction that prohibits a person from hunting with a bow and arrow or crossbow within the jurisdiction of that local governmental unit, the restriction does not apply and may not be enforced.

2013 Act 71 provides, with certain exceptions, that a local governmental unit may not enact or adopt a restriction that prohibits a person from hunting with a bow and arrow or crossbow within the jurisdiction of that local governmental unit. This provision would invalidate ordinances adopted prior to the effective date of the budget (including ordinances adopted prior to 2013 Act 71 becoming effective in 2014) that prohibit bow hunting.

[Act 55 Section: 1052e]

## 4. DELETE CLASS B BEAR LICENSE

SEG- REV	\$70,000
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**Joint Finance/Legislature:** Delete the Class B bear license and increase the Class A bear application fee from \$3 to \$4.50 and clarify that the 25¢ issuing fee applies to the Class A bear license. In addition, specify that no license is required to conduct any of the following activities: (a) assist a person in hunting bear by tracking bear, trailing bear or engaging in any other activity to locate bear; (b) pursue a bear as long as the activities are not conducted for the purposes of shooting, shooting at, taking, catching, or killing, the bear; (c) bait bear; (d) train a dog to track

bear, to trail bear or to otherwise engage in any activity that contributes to locating bear, and (e) shoot, for the purpose of killing, a bear that was shot, but not killed, by a Class A bear license holder if the person was hunting in the same hunting party as the Class A bear license holder at the point of kill, if the Class A bear license holder possesses a current unused bear carcass tag that is authorized for use on the bear killed, and if killing the bear is necessary to protect the safety of the members of the hunting party or others.

A Class A bear license is required to hunt (harvest) bear and a Class B bear license (\$14 resident and \$110 nonresident) was previously required to pursue bear. The application fee for a Class A bear license or a preference point was \$3 (including the 25¢ issuing fee). Under the Act, a Class A bear license application fee is \$4.50 (including the 25¢ issuing fee) and no license is required for a person to engage in any of the activities which the holder of a Class B license was previously allowed to engage in. The increased application fee results in increased revenue to the fish and wildlife account of approximately \$150,000 SEG annually, and the deletion of the Class B bear license results in an estimated loss in revenue of approximately \$115,000 SEG annually to the fish and wildlife account of the conservation fund.

[Act 55 Sections: 1052m thru 1053q, 1055d thru 1055m , and 1060j]

**5. WOLF DEPREDATION PROGRAM APPROPRIATION**  
[LFB Paper 476]

SEG	- \$498,000
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**Joint Finance/Legislature:** Delete \$249,000 annually from the conservation fund appropriation for the deposit of all moneys received from wolf harvesting licenses and application fees. No revenues are currently anticipated in 2015-17 related to a wolf hunting season. (The statutory authority would remain but the appropriation would be estimated at zero in each year.)

2011 Act 169 established a wolf harvest season. Revenue from the licenses (currently \$49 resident and \$251 non-resident) and application fees (\$10) are primarily used to administer a wolf depredation program. The wolf damage program provides payments to persons who apply for reimbursement for damage caused by wolves to livestock, hunting dogs (other than those used in wolf hunting) and pets, and control activities conducted by the Department aimed at reducing wolf damage. The wolf harvest season and damage payments only apply if the wolf is not listed on the U.S. list of endangered and threatened species or the state list of endangered and threatened species. On December 19, 2014, in response to a lawsuit brought against the United States Fish and Wildlife Service (USFWS), the Federal District Court for the District of Columbia vacated the 2012 USFWS decision which delisted gray wolves in the western Great Lakes. (Wisconsin delisted the gray wolf in 2004, and as of January 27, 2012, the gray wolf was no longer a federally endangered species in Wisconsin and other parts of the western Great Lakes region). The ruling returned gray wolves in the western Great Lakes region, including Wisconsin, to the federal endangered species list.

## 6. CAR-KILLED DEER [LFB Paper 471]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
GPR	- \$701,400	\$0	- \$701,400
SEG	<u>- 701,400</u>	<u>1,402,800</u>	<u>701,400</u>
Total	- \$1,402,800	\$1,402,800	\$0

**Governor:** Repeal the appropriations for the removal and disposal of car-killed deer from highways and delete \$350,700 GPR and \$350,700 SEG annually.

Under current law, DNR contracts for the removal and disposal of car-killed deer from highways. Beginning with 1997 Act 27, 50% of these funds are from the fish and wildlife account and 50% are from GPR. The program is currently funded at \$701,400 annually (\$350,700 each from GPR and SEG).

**Joint Finance/Legislature:** Provide \$701,400 forestry SEG on a one-time basis in 2015-16 and 2016-17 and require the Department of Natural Resources to administer a program for removal of car-killed deer from state trunk highways. In addition, specify that a person may take possession of the carcass of a deer killed in a motor vehicle collision, subject to certain CWD-related regulations, if the person contacts the Department of Natural Resources in a manner prescribed by DNR and identifies the following prior to taking possession: (a) the name and address of the person taking possession of the carcass; and (b) the location of the carcass.

Further, require DNR to submit a report to the Governor, Joint Committee on Finance and appropriate standing committees of the Legislature by January 1, 2017, including the cost effectiveness of the program, the number of deer collected, and any recommendations regarding the program.

The state trunk highway system includes state, interstate, and U.S. highways. Section 29.349 of the statutes currently requires any person who is taking possession of the carcass of a deer, bear, or wild turkey killed in a motor vehicle collision on a highway to have the carcass tagged by a law enforcement officer (no fee is required for the tag). The act removes the tag requirement for deer.

**Veto by Governor [H-100]:** Delete the reporting requirement.

[Act 55 Sections: 624, 625b, 1053r thru 1053y, 1053z, and 9132(1q)]

[Act 55 Vetoed Section: 9132(1q)]

## 7. CONSERVATION WARDEN OVERTIME [LFB Paper 472]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
SEG	\$361,800	- \$361,800	\$0



**Governor:** Provide \$180,900 annually for conservation warden overtime costs. Expenditure authority would be provided as follows:

	<u>Annual Amount</u>
Conservation Fund:	
Fish and Wildlife Account	\$138,800
Boat Account	21,900
ATV Account	9,400
Water Resources Account	2,400
Environmental Fund	<u>8,400</u>
Total	\$180,900

**Joint Finance/Legislature:** Delete provision.

## 8. LAW ENFORCEMENT COMPUTERS [LFB Paper 472]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
SEG	\$595,000	- \$71,600	\$523,400

**Governor:** Provide \$297,500 in 2015-16 and 2016-17, on a one-time basis, for the first two years of a four-year master lease for 225 tablet computers and associated equipment for law enforcement wardens (including all permanent credentialed conservation wardens and deputy warden water guards) and seven tablet computers and associated equipment for property managers who perform law enforcement work on certain flowages, boat access sites, and the Lower Wisconsin State Riverway. The tablet computers would replace the current laptops which were funded through a four-year master lease under the last two biennial budgets. Expenditure authority would be provided as follows:

	<u>Annual Amount</u>
Conservation Fund:	
Fish and Wildlife Account	\$222,800
Boat Account	34,300
ATV Account	14,700
Forestry Account	4,000
Water Resources Account	3,800
Parks Account	600
Environmental Fund	<u>17,300</u>
Total	\$297,500

**Joint Finance/Legislature:** Provide \$261,700 (a reduction of \$35,800 each year) to support a master lease for the purchase of 213 law enforcement computers. Specify the funds be provided as ongoing. Funding would be provided as follows:

	<u>Annual Amount</u>
Conservation Fund:	
Fish and Wildlife Account	\$196,000
Boat Account	30,200
ATV Account	12,900
Forestry Account	3,600
Water Resources Account	3,300
Parks Account	500
Environmental Fund	<u>15,200</u>
Total	\$261,700

**9. RECREATIONAL VEHICLE TRAIL AID APPROPRIATION REESTIMATES**  
[LFB Paper 473]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
SEG	\$168,500	\$1,091,300	\$1,259,800

**Governor:** Provide \$150,100 SEG in 2015-16 and \$18,400 SEG in 2016-17 for estimates of the revenue transferred from the transportation fund to appropriations from the segregated snowmobile and all-terrain vehicle (ATV) accounts of the conservation fund. The recreational vehicle fuel tax transfer is used for a portion of state trail aid grants and is based on the current fuel tax rate and the estimated number of registered snowmobiles, ATVs, and utility terrain vehicles (UTVs).

	<u>2015-16</u>			<u>2016-17</u>		
	<u>Base</u>	<u>Change</u>	<u>Total</u>	<u>Base</u>	<u>Change</u>	<u>Total</u>
Snowmobile Transfer	\$5,076,900	\$389,000	\$5,465,900	\$5,076,900	\$279,700	\$5,356,600
ATV Transfer	1,908,100	-312,300	1,595,800	1,908,100	-334,700	1,573,400
UTV Transfer	<u>65,700</u>	<u>73,400</u>	<u>139,100</u>	<u>65,700</u>	<u>73,400</u>	<u>139,100</u>
	\$7,050,700	\$150,100	\$7,200,800	\$7,050,700	\$18,400	\$7,069,100

It should be noted that there was an error in the ATV transfer calculation under the Governor's bill.

**Joint Finance/Legislature:** Provide \$326,900 SEG in 2015-16 and \$764,400 SEG in 2016-17 for: (a) reestimates of the revenue transferred from the transportation fund [based on more recent estimates of the number of registered snowmobiles, ATVs, and UTVs] to trail aid appropriations from the segregated snowmobile and ATV accounts of the conservation fund; and (b) \$24,000 SEG in 2015-16 and \$246,500 SEG in 2016-17 to the snowmobile supplemental trail aids appropriation to reflect reestimated non-resident trail pass sales and a 2013 Act 142 increase in the amount transferred per non-resident snowmobile trail pass sold the prior year, beginning with fiscal year 2016-17.

	<u>2015-16</u>	<u>2016-17</u>
Snowmobile Trail Aids	-\$197,900	-\$86,600
Snowmobile Supplemental Trail Aids	24,000	246,500
ATV Trail Aids	445,100	511,600
UTV Trail Aids	<u>55,700</u>	<u>92,900</u>
Change to Governor	\$326,900	\$764,400

**10. ATV LANDOWNER INCENTIVE PROGRAM** [LFB Paper 475] 

SEG	- \$811,800
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**Joint Finance/Legislature:** Repeal the ATV landowner incentive program and delete the \$405,900 annual appropriation.

2007 Act 20 created an ATV landowner incentive program beginning in 2008-09. The program could provide grants to private landowners who permit public all-terrain vehicle corridors on their lands. Landowners could receive annual incentive payments at up to the following rates based on the number of days the trail was open for public use during the previous fiscal year: (a) \$25 for each mile that was open for public use for at least 60 but less than 180 days; (b) \$75 for each mile that was open for public use at least 180 days but less than 270 days; or (c) \$100 for each mile that was open for public use for 270 days or more. No landowner incentive grants have ever been awarded under the program.

[Act 55 Sections: 635m, 990m, 997m, 2123m, 2241m, and 2361m]

**11. UTILITY TERRAIN VEHICLE DEFINITION**

**Joint Finance/Legislature:** Repeal section 23.33(1)(ng)1.(c) of the statutes which specifies that the definition of a utility terrain vehicle (UTV) includes [among a number of provisions] a cargo box installed by the manufacturer.

Generally, all-terrain vehicles are smaller than UTVs, with less hauling capacity, less seating, and greater maneuverability. On the other hand, UTVs are generally larger, wider, and heavier, often have side-by-side seating, and may have a large rear cargo hold, and truck-like cabs and seats that allow riders to sit upright, rather than straddle a seat as is common on an ATV. Under the Act, a vehicle would not need to have a "cargo box installed by the manufacturer" to be considered a UTV.

[Act 55 Section: 996m]

**12. ANTIQUE SNOWMOBILE REGISTRATIONS**

SEG-REV	\$240,000
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**Governor/Legislature:** Specify that antique snowmobile registrations be valid for three years beginning with registrations issued on the effective date of the Act. In addition, specify that

there is no fee for a trail use sticker issued for a snowmobile that has a model year that is at least 35 years earlier than the year in which the trail use sticker is issued.

Under current law, a fee of \$30 is assessed for each snowmobile registered for general use in Wisconsin. Through fiscal year 2014-15, the registration is valid for two years. Snowmobiles registered in other states or countries need not be registered in Wisconsin if they are in the state for a period of less than 15 consecutive days. Effective July 1, 2015, a \$30 snowmobile registration fee is valid for three years. Prior to 2014, the owner of a snowmobile that had a model year of 1966 or earlier could register the snowmobile with DNR as an antique snowmobile for a one-time \$20 registration fee (the snowmobile was exempt from re-registration while under the same ownership). Effective April 10, 2014, current law allows registration of snowmobiles as antique snowmobiles, if they are at least 35 years old, for an initial fee of \$20 and a renewal fee of \$5 every two years. The Act would extend the registration to a three-year period to be consistent with other snowmobile registrations (the initial registration fee would remain \$20, with a \$5 renewal fee every three years). In addition, effective July 1, 2015, most snowmobiles operated on a public snowmobile corridor in Wisconsin are required to display an annual trail use sticker issued by the Department, regardless of whether the snowmobile is registered in Wisconsin. However, there is no fee for a trail use sticker issued for a snowmobile that is registered in Wisconsin and that has a model year that is at least 30 years earlier than the year in which the trail use sticker is issued. The Act would modify this to a model year that is at least 35 years earlier than the year of issuance to be consistent with the antique snowmobile registration requirement. The administration estimates these changes would result in increased revenue to the snowmobile account beginning in 2015-16 of approximately \$120,000 annually (reflecting an increase of \$158,000 in annual snowmobile trail pass revenue and a decrease of \$38,000 annually in registration revenues).

[Act 55 Sections: 4356, 4357, and 9332(1)]

### **13. SNOWMOBILE SUPPLEMENTAL TRAIL AIDS JOINT FINANCE REQUESTS** [LFB Paper 474]

**Joint Finance/Legislature:** Modify section 350.12(4)(br) of the statutes to clarify that if supplemental snowmobile trail aids payable to counties and to the Department exceeds the moneys available from the snowmobile gas tax multiplier and the nonresident snowmobile sticker transfer, DNR may only do the following or any combination of the following: (a) prorate the payments; or (b) submit a request to the Joint Committee on Finance for approval under a 14-day passive review procedure to provide additional funding from other available snowmobile account funds including funds from appropriation 20.370(5)(cr) [county snowmobile aids] and 20.370(5)(cs) [snowmobile fuel tax transfer].

Current law requires DNR to submit the requests for Joint Finance approval at a meeting under s. 13.10.

**Veto by Governor [H-101]:** Delete provision.

[Act 55 Vetoed Section: 4359m]

## 14. GINSENG LICENSE REVENUES AND FUNDING

**Governor/Legislature:** Transfer the deposit of revenues from wild ginseng harvest and dealer licenses from the endangered resources account to the fish and wildlife account of the conservation fund. In addition, delete \$25,000 SEG annually in LTE salaries and fringe benefits from an endangered resources appropriation and provide the same amount in a conservation enforcement appropriation (based on the annual average of ginseng dealer and harvester license revenues collected since fiscal year 2001-02).

[Act 55 Section: 620]

## 15. HORICON MARSH EDUCATION AND VISITOR CENTER

**Joint Finance/Legislature:** Authorize DNR to charge fees for educational programs and create a program revenue continuing appropriation for the deposit of fees collected by DNR for educational programs at the Horicon Marsh Education and Visitor Center.

Throughout summer 2015, new educational displays and hands-on exhibits will be constructed at the Center as part of the new "Explorium," which is expected to open on August 22, 2015. The Department indicates that fees will be charged for admission to the Explorium, but the amount generated by these fees is undetermined. Other educational programming at the Center will remain available free of charge.

[Act 55 Sections: 640t and 997s]

# Environmental Quality

## 1. DAM SAFETY BONDING

BR	\$4,000,000
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**Governor/Legislature:** Provide \$4,000,000 in GPR-supported general obligation bonding authority for dam safety grants. No specific estimate of debt service payments is made for the biennium (debt service on \$4 million in general obligation bonds could be expected at roughly \$280,000 annually for 20 years once all bonds are issued).

DNR administers the municipal dam safety grant program under s. 31.385 of the statutes. The program provides matching grants to counties, cities, villages, towns and public inland lake protection and rehabilitation districts for the repair, reconstruction, or removal of municipal dams. To qualify for a grant, the locality must own a dam that has been inspected and be under a DNR directive to repair or remove the dam. Dam safety grants may also be awarded to remove abandoned dams or to any dam owner to voluntarily remove their dam. To date, a total of \$24.1 million in bonding revenues for dam safety grants has been authorized by the Legislature for this

program, including \$4 million in each of the last three biennia.

[Act 55 Section: 873]

## **2. VILAS COUNTY DAM WATER LEVEL ORDERS**

**Joint Finance/Legislature:** Specify that the Department may not issue, amend or revise an order under section 31.02 or s. 182.71(7)(b) of the statutes, unless the appropriate standing committee in each house of the Legislature, as determined by each presiding officer, approves the proposed order, amendment or revision if the order involves a dam to which the following applied on June 1, 2015: (a) the dam regulated water levels of one or more lakes in Vilas County; (b) the dam has been continuously subject to a lake level order for a period of at least 40 years; (c) the dam was located in whole or in part, in a city, village, or town, with an equalized value exceeding \$500 million; and (d) the dam's impoundment area at normal pool elevation exceeded 4,000 acres.

Under section 31.02(1) of the statutes, DNR may regulate and control the level and flow of water in navigable waters. Section 182.71(7)(b) of the statutes affects PSC and DNR regulation of reservoirs of the Chippewa and Flambeau Improvement Company.

[Act 55 Sections: 1066g and 3524g]

## **3. DAM WATER FLOW REGULATION**

**Joint Finance/Legislature:** Provide an exception from the general requirement in section 31.34 of the statutes for a dam that meets all of the following requirements: (a) a dam exists in a location where a dam was originally constructed prior to 1845 and regulates water discharge to a stream from a lake with a depth of over 125 feet; (b) the precise level of the natural low flow of water at the location of the dam prior to its construction is not known; (c) historically there have been extended periods during which water passed through the dam only as groundwater seepage and as the result of leakage through the dam structure. For a dam that meets these requirements, the owner of the dam shall be required to pass, and DNR may not order an owner to pass more than, an amount of water not less than the lesser of: (a) the low flow of the stream over the preceding 10-year period using the seven-day, 10-year low-streamflow method; or (b) the amount passed by groundwater seepage and leakage through the dam structure.

Section 31.34 of the statutes specifies that each person, firm, or corporation maintaining a dam on any navigable stream shall pass at all times at least 25% of the natural low flow of water of such stream, subject to certain exceptions (such as for a plant or dam where the water is discharged directly into a lake, mill pond, storage pond, or cranberry marsh, or where it is not necessary for the protection of fish life).

[Act 55 Sections: 1066j thru 1066t]

#### 4. WETLAND DATABASE ENHANCEMENTS

SEG	\$70,000
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**Governor/Legislature:** Provide \$70,000 water resources SEG in one-time funding in 2015-16 for upgrades to the waterway and wetland permits database (WWPDB). The WWPDB is DNR's database for storing data on waterway permits issued under Chapter 30 (Navigable Waters) of the statutes and wetland permits issued under Chapter 281 (Water Resources) of the statutes. The database also holds data for non-permit items such as jurisdictional determinations, navigability, ordinary high water mark determinations, and wetland delineations. Documents associated with these non-permit items include delineation reports, photos, maps, and associated correspondence. There is currently no centralized electronic storage for these documents. Funding would be used to provide 1,000 hours of information technology contractor time to add capacity for non-permit document storage to the WWPDB. Data housed in the WWPDB is made available to the public via the Surface Water Data Viewer on the Department's website.

#### 5. RIVER PROTECTION GRANT APPROPRIATION

**Governor/Legislature:** Convert the river protection grant appropriation under s. 20.370(6)(av) of the statutes from an annual to a biennial appropriation and remove the requirement that any unencumbered balance in the appropriation at the end of each fiscal year be transferred to the lake protection grant appropriation.

A river protection grant program was created in 1999 Act 9. Currently \$289,500 annually from water resources SEG is available, with any unencumbered funding at the end of a fiscal year being transferred to the lake protection grant appropriation. Under the Act, as a biennial appropriation, any unencumbered funds in the river protection grant appropriation at the end of a biennium would lapse to the balance of the water resources (motorboat gas tax) account.

[Act 55 Section: 638]

#### 6. NONPOINT PROGRAM EXPENDITURES [LFB Paper 141]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
GPR	- \$400,000	\$0	- \$400,000
SEG	<u>- 3,166,400</u>	<u>2,140,000</u>	<u>- 1,026,400</u>
Total	- \$3,566,400	\$2,140,000	- \$1,426,400

**Governor:** Reduce GPR-funded nonpoint source water pollution abatement grants, which are typically allocated to the rural targeted runoff management (TRM) program, by \$200,000 annually. Also, reduce expenditure authority from the nonpoint account of the environmental fund by \$1,583,200 SEG each year, including \$813,200 SEG for urban nonpoint source (UNPS) water pollution, storm water management and municipal flood control grants, and \$770,000 SEG for nonpoint source water pollution abatement contracts. Nonpoint SEG-related provisions are intended to align nonpoint account expenditures with expected revenues to the account in 2015-17. Additional actions affecting nonpoint account expenditures and revenues are described under

"Agriculture, Trade and Consumer Protection."

DNR has customarily allocated GPR nonpoint source grant funds toward non-structural practices required of TRM projects, as well as projects under a companion program to cost-share the installation of pollution abatement practices at animal feeding operations that have been issued a notice of discharge for impermissible manure runoff. Urban nonpoint source SEG grants typically are awarded to planning projects to address current or future urban runoff management or treatment needs for a municipality or group of municipalities. Under both programs, GPR and SEG funds are intended to support activities not directly implementing specific structural projects. Non-structural activities typically would be unable to use bonding authority provided for the programs, as the Wisconsin Constitution generally requires bond proceeds to support structural improvements.

Funding for nonpoint source contracts is distributed to other state agencies or nonprofit organizations for research, education or technical assistance activities related to nonpoint source water pollution abatement. Section 281.65(4g) of the statutes requires that at least \$500,000 per fiscal year must be allocated to the University of Wisconsin-Extension for contracts for educational and technical assistance regarding nonpoint source water pollution abatement.

**Joint Finance/Legislature:** Restore the following annual nonpoint SEG amounts: (a) \$770,000 for nonpoint source contracts; (b) \$200,000 for UNPS grants; and (c) \$100,000 for TRM grants. Convert the biennial GPR appropriation for nonpoint source (TRM) grants to a nonpoint SEG appropriation. Specify all funding appropriated for the 2015-17 is one-time financing. (Amounts provided as one-time financing would be removed as a standard budget adjustment in the 2017-19 budget bill.) The following table shows funding changes under the bill as introduced and the act:

**DNR Nonpoint Program Funding Changes**

<u>Appropriation (Fund Source)</u>	<u>Base (Annual)</u>	<u>Governor</u>	<u>Jt. Finance/Leg. (Chg. to Gov.)</u>	<u>2015-17 Annual</u>	<u>Change to Base</u>
Rural nonpoint grants (GPR)	\$200,000	-\$200,000	\$0	\$0	-\$200,000
Rural nonpoint grants (SEG)	--	--	100,000	100,000	100,000
Nonpoint source contracts (SEG)	997,600	-770,000	770,000	997,600	0
Urban nonpoint source grants (SEG)	<u>1,313,200</u>	<u>-813,200</u>	<u>200,000</u>	<u>700,000</u>	<u>-613,200</u>
Total	\$2,510,800	-\$1,783,200	\$1,070,000	\$1,797,600	-\$713,200

Additionally, specify the maximum state grant under the UNPS program and the municipal flood control and riparian restoration (MFC) program is 50%, requiring grant recipients to provide at least a dollar-for-dollar match of state grants for eligible project costs. (The MFC program shares a nonpoint SEG appropriation and bonding authorization with the UNPS program.) The provision reduces the state cost-share rate on UNPS planning grants and MFC grants from 70% to 50%, which is the standard cost-share rate on UNPS construction grants.

[Act 55 Sections: 636g, 4188t, and 4189d]



## 7. RURAL NONPOINT SOURCE BONDING [LFB Paper 142]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
BR	\$7,000,000	- \$1,100,000	\$5,900,000

**Governor:** Provide \$7 million in SEG-supported general obligation bonding for rural nonpoint source water pollution abatement grants. Bond proceeds support the targeted runoff management (TRM) program and provide for the installation of structures in rural settings to improve water quality by preventing soil erosion and animal waste runoff. State funding under TRM grants typically may fund 70% of eligible project costs, up to a cap of \$150,000 or \$1 million, depending on the scope of the project. Bonding authority also may be disbursed as grants under a separate program to address animal waste runoff only from animal feeding operations that have been issued a notice of discharge (NOD) or notice of intent (NOI) to issue a notice of discharge.

Beginning with 2007 Act 20, each biennial budget act has authorized \$7 million in combined additional bonding for the TRM and NOD/NOI programs. Principal and interest payments on the bonds are paid from the nonpoint account of the environmental fund. This debt service is budgeted at \$1.5 million SEG in 2015-16 and at \$1.7 million SEG in 2016-17.

**Joint Finance/Legislature:** Reduce the bonding authorization by \$1,100,000, from \$7 million to \$5.9 million. The provision is intended to reduce bonding authority by the amounts previously authorized but that are as yet unallocated to projects.

[Act 55 Section: 870]

## 8. URBAN NONPOINT SOURCE BONDING [LFB Paper 142]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
BR	\$5,000,000	- \$2,000,000	\$3,000,000

**Governor:** Provide \$5 million in SEG-supported general obligation bonding for the urban nonpoint source and storm water management (UNPS) and municipal flood control and riparian restoration (MFC) programs. UNPS program bonds support structural projects to improve state surface water quality by managing storm water runoff in urban settings. The MFC program provides funding for flood-control or flood-proofing projects in urban settings, including property acquisition and structure removal. UNPS construction projects typically are eligible for 50% state funding up to \$150,000. Under other Act 55 provisions, MFC projects are generally eligible for 50% state funding, up to 20% of the amount available each two-year grant cycle. DNR determines allocations to each program over the course of the biennium.

The 2013-15 budget act authorized \$5 million in new joint bonding authority for the

programs, while \$6 million was provided in each of the three earlier biennial budget acts, beginning with 2007-09. Principal and interest payments on bonds issued for the UNPS and MFC programs are supported by the nonpoint account of the environmental fund. Debt service is estimated at \$3.1 million SEG in 2015-16 and at \$3.2 million SEG in 2016-17.

**Joint Finance/Legislature:** Reduce the bonding authorization by \$2,000,000, from \$5.0 million to \$3.0 million. The provision is intended to reduce bonding authority by the amounts previously authorized but that are as yet unallocated to projects.

[Act 55 Section: 871]

## **9. SHORELAND ZONING STANDARDS AND ORDINANCES**

**Joint Finance/Legislature:** Amend Chapters 59 (counties), 61 (villages), 62 (cities) and 281 (water and sewage) as follows to change statutory provisions regarding county shoreland zoning ordinances, and shoreland zoning standards promulgated by DNR:

### *Definitions*

Provide a definition for "structure" under s. 59.692 of the statutes (county shoreland zoning) to mean a principal structure or any accessory structure including a garage, shed, boathouse, sidewalk, stairway, walkway, patio, deck, retaining wall, porch or fire pit. Delete a reference to "buildings" in the definition of "shoreland setback area," and provide the term "structure" applies to consideration of whether construction or placement of objects occurs in a shoreland setback area, which is an area within a set distance of a high-water mark in which building activity is prohibited or limited.

### *State and County Shoreland Zoning Restrictions*

Specify a shoreland zoning standard promulgated by DNR, or a county shoreland zoning ordinance, may not impair the interest of a landowner in shoreland property with regard to several aspects of land use as described in the following paragraphs.

*Lighting.* Specify DNR standards or a county ordinance may not: (a) require approval to install or maintain outdoor lighting in shorelands; (b) impose any fee or mitigation requirement to install or maintain outdoor lighting in shorelands; or (c) otherwise prohibit or regulate outdoor lighting in shorelands if the lighting is designed or intended for residential use.

*Nonconforming Structures.* Modify current-law provisions regarding restoration of nonconforming structures to specify DNR standards or a county ordinance may not require approval for, or impose a fee or mitigation requirement for, or otherwise prohibit or regulate, the maintenance, repair, replacement, restoration, rebuilding or remodeling of all or any part of a nonconforming structure if the activity does not expand the footprint of the nonconforming structure. Provide a county shoreland zoning ordinance shall allow a footprint expansion of a nonconforming structure if the expansion is necessary for the structure to comply with applicable state or federal requirements.

Additionally, specify DNR standards or a county ordinance may not require any approval for, or impose any fee or mitigation requirement for, or otherwise prohibit or regulate, the vertical expansion of a nonconforming structure unless the vertical expansion would extend more than 35 feet above grade level. Provide DNR may establish a shoreland zoning standard that allows vertical or lateral expansion of a nonconforming structure, and provide a county may enact a shoreland zoning ordinance that allows the vertical or lateral expansion of a nonconforming structure if the ordinance does not conflict with DNR shoreland zoning standards.

*Inspections or Upgrades.* Specify DNR standards or a county ordinance may not require any inspection or upgrade of a structure before the sale or transfer of the structure.

*Impervious Surfaces.* Specify DNR standards or a county ordinance may not establish standards for impervious surfaces, unless the standards provide that a surface is considered pervious if the runoff from the surface is treated by a device or system, or is discharged to an internally drained pervious area, that retains the runoff on or off the parcel to allow infiltration into the soil.

#### *County Shoreland Zoning Restrictions*

*Consistency with State Standards.* Specify a county shoreland zoning ordinance may not regulate a matter more restrictively than the matter is regulated by a shoreland zoning standard promulgated as an administrative rule by the DNR. However, provide the restriction does not prohibit a county from enacting a shoreland zoning ordinance to regulate a matter that is not covered by a DNR-promulgated shoreland zoning standard.

Further, provide any provision in a county ordinance that is in effect on or after the bill's effective date, and that is inconsistent with any of the provisions of s. 59.692 of the statutes (county shoreland zoning) as affected by the bill, does not apply and may not be enforced.

Additionally, specify any village or city enacting ordinances required by statute to cover annexed or previously unincorporated shorelands must adhere to statutory requirements and limitations on such ordinances. Further, delete provisions relating to standards for vegetative buffers in such annexed or previously unincorporated shorelands [ss. 61.353(3)(c) and (d), and 62.233(3)(c) and (d) of the statutes].

*Vegetative Buffers.* Specify a county shoreland zoning ordinance may not require a person to establish a vegetative buffer zone on previously developed land, nor expand an existing vegetative buffer zone. However, specify beginning on the effective date of the bill, a county shoreland zoning ordinance may require a person to maintain a vegetative buffer zone existing on that date if the ordinance: (a) allows the buffer zone to contain a viewing corridor at least 35 feet wide for every 100 feet of shoreline frontage; or (b) allows the viewing corridor to run contiguously for the entire maximum width allowed in the ordinance.

*Substandard Lots.* Specify a county shoreland zoning ordinance may not regulate the construction of a structure on a substandard lot in a manner more restrictive than DNR standards governing structures on substandard lots.

### *County Boards of Adjustment Appeals*

Specify DNR may not appeal to a county board of adjustment a decision by a county to grant or deny a shoreland zoning variance under s. 59.692 of the statutes. Provide the Department may, upon request of a county board of adjustment, issue an opinion on whether a variance should be granted or denied.

### *Applicability of Certain Ordinances*

Specify county shoreland zoning ordinances, construction site erosion control and storm water management zoning ordinances, or wetland zoning ordinances do not apply to lands adjacent to artificially constructed drainage ditches, ponds or storm water retention basins that are not hydrologically connected to a natural navigable body of water. Also, repeal s. 281.31 (2m) (c) of the statutes, providing lands adjacent to farm drainage ditches are exempt from various types of zoning if maintained in nonstructural agricultural use.

[Act 55 Sections: 1922b thru 1922L, 1943d, 1943e, 1947d, 1947e, and 4112e thru 4112i]

## **10. CULVERT PERMITTING**

**Joint Finance/Legislature:** Modify s. 30.123(6)(d) of the statutes to specify the construction or placement of a culvert, as well as the maintenance thereof, is exempt from waterway permitting requirements if the culvert is replacing an existing culvert and is placed in substantially the same location as a culvert being replaced. Also, require that replacement culverts be constructed or placed using best management practices to comply with water quality standards under Subchapter II of Chapter 281 (water and sewage).

Further, repeal the culvert permit exemption under s. 30.123(6)(e) of the statutes, for the construction, placement or maintenance of a culvert to replace an existing culvert with an inside diameter not exceeding 24 inches.

Specify if DNR requires a person who replaces a culvert to seek a permit for a culvert that would be otherwise exempt, and if DNR requires conditions under the new permit that are different than conditions for the culvert under an existing permit, DNR is required to reimburse the person for the reasonable costs incurred in complying with the different conditions in the permit. Specify reimbursement is to be made from DNR's general administrative operations GPR appropriation [s. 20.370(8)(ma)]. (No additional funding for such payments would be provided.) Also, specify waterway permit fees would not apply in such instances.

Additionally, require any city, village, town, or county responsible for replacing an exempt culvert to make and retain a record of the replacement of the culvert, including the following information: (a) the date of the replacement of the culvert; (b) the dimensions of the replacement culvert; and (c) the location of the culvert.

Generally, no person may construct or place a culvert in a navigable waterway unless the culvert has been issued a permit by DNR or the culvert would meet statutory conditions for a permit exemption. Exemptions prior to Act 55 included: (a) the construction or placement of a

culvert, as well as the maintenance thereof, to replace an existing culvert already permitted, provided the construction, placement or maintenance would comply with the permit conditions in effect; or (b) the construction or placement of a culvert, as well as the maintenance thereof, to replace a culvert with an inside diameter not exceeding 24 inches, regardless of whether the existing culvert was previously permitted. (Culverts placed in accordance with guidelines of the Department of Transportation [DOT] or a DNR-DOT cooperative agreement also may not require permits; this provision is not changed by Act 55.) Therefore, prior to Act 55, new culverts, culverts not previously permitted, or replacements of a different size than the culvert being replaced, in general were to obtain coverage under a permit.

Act 55 provides the replacement of any existing culvert is exempt if the replacement culvert is placed in substantially the same location as the culvert being replaced and is placed using best management practices to comply with water quality standards. DNR retains authority to require permits in lieu of exemptions to prevent certain occurrences. These include: (a) significant adverse impacts to the public rights and interests; (b) environmental pollution; or (c) material injury to riparian rights of riparian owners. However, the act specifies if DNR were to require a permit for a previously permitted (and otherwise exempt) culvert, and the new permit were to contain conditions more stringent than those under the existing permit, DNR would be required to reimburse the person placing the culvert for the reasonable costs of complying with the new permit conditions.

[Act 55 Sections: 1061b thru 1061i]

## 11. BALLAST WATER DISCHARGE FEES [LFB Paper 477]

	<b>Governor (Chg. to Base) Funding Positions</b>		<b>Jt. Finance/Leg. (Chg. to Gov) Funding Positions</b>		<b><u>Net Change</u> Funding Positions</b>	
PR	\$0	0.00	-\$69,200	- 0.50	-\$69,200	- 0.50
PR-REV	\$259,500		\$0		\$259,500	

**Governor:** Repeal the December 31, 2015, sunset on ballast water discharge permit fees, making the fees permanent. Estimate revenue of approximately \$259,500 in the biennium (\$86,500 for the last six months of 2015-16 and \$173,000 in 2016-17) that would not be collected under current law. The fees are deposited in a program revenue appropriation for administration of the ballast water discharge program.

Under 2009 Act 28, DNR is authorized to issue a general permit authorizing a vessel that is 79 feet or greater in length to discharge ballast water into the waters of the state. A general permit authorizes discharges from specified categories or classes of point sources. DNR issued a general permit effective February 1, 2010, for large ships that travel between Great Lakes ports, that regulates the discharge of ballast water into the Great Lakes. The five-year permit expired on January 31, 2015. DNR is in the process of revising the permit and plans to reissue it in the spring of 2015. A person is required to pay a \$1,200 application fee for a vessel to be covered by the general permit, and an annual fee of \$345 to be paid upon initial coverage under the permit,

and annually thereafter.

In 2013-14, DNR collected \$117,900 in program revenue from the fees, including \$34,100 from application fees, and \$83,800 from annual fees.

**Joint Finance/Legislature:** Approve the Governor's recommendation. In addition, delete \$34,600 PR and 0.5 PR position annually from the ballast water fees appropriation in order to more closely align anticipated revenues with authorized expenditures. Under the act, this program would be budgeted at \$278,300 PR annually with 2.5 PR positions.

[Act 55 Section: 4203]

## **12. ENVIRONMENTAL MANAGEMENT ACCOUNT OVERVIEW [LFB Paper 478]**

The segregated environmental management account provides funding for: (a) recycling financial assistance to local governments; (b) DNR administration of contaminated land, brownfields cleanup, and recycling programs, including staff in remediation and redevelopment, solid waste management, air management, groundwater management, and central administrative programs; (c) brownfields and well compensation grant programs; (d) debt service costs for general obligation bonds issued for state-funded cleanup of contaminated land and sediment, a former point source water pollution abatement grant program and for DNR administrative facilities; (e) state-funded cleanup of contaminated properties where there is no responsible party able or willing to pay for the cleanup; (f) the UW System Bioenergy Initiative; (g) certain environmental and recycling programs in DATCP, the UW System, and the Departments of Corrections, Health Services, and Military Affairs; and (h) remediation of specific sites using moneys received under court-approved settlement agreements or orders (primarily for Fox River cleanup). In the 2013-15 biennium, approximately 88% of revenue to the environmental management account is anticipated to be received from solid waste tipping fees totaling \$9.64 per ton (out of state tipping fees totaling \$12.997 per ton). The remaining 12% of revenues include a transfer from the segregated petroleum inspection fund, several license and other environmental fees, and revenues received for designated purposes.

**Governor:** Major changes that would reduce overall expenditures of environmental management account SEG by approximately \$8.3 million for the biennium are shown in the following table, and are described in separate entries under DNR, the Department of Corrections, and the UW System. In addition to the reductions shown in the table, the Executive Budget Book states that the Governor recommends lapsing \$2 million in each year from annual appropriations funded from the environmental management account to ensure a positive account balance.

### Environmental Management Account Expenditures - Change to Base

	<u>2015-16</u>	<u>2016-17</u>
DNR Reduce Recycling Grants to Local Governments	-\$4,000,000	\$0
DNR Shift GPR Debt Service to SEG	4,900,700	0
DNR Debt Service Reestimate	-237,700	-571,300
DNR Position Reductions: 1.0 Recycling and 0.5 Business Support	-129,800	-129,800
DNR Law Enforcement Equipment and Overtime	25,700	25,700
DNR Environmental Enforcement	300,000	300,000
DNR Transfer Private Onsite Wastewater Treatment System Funding from DSPS	395,100*	790,100*
Corrections - Eliminate funding for Computer Recycling	-256,200	-256,200
UW System - Eliminate funding for UW Bioenergy Initiative	-4,069,100	-4,069,100
UW System - Eliminate funding for Extension Recycling Education	-394,100	-394,100
UW System - Eliminate funding for Solid Waste Research and Experiments	-156,100	-156,100
UW System - Eliminate funding for Environmental Education from Environmental Assessments	<u>-130,500</u>	<u>-130,500</u>
Total - Major Items	-\$3,752,000	-\$4,591,300

\*Revenue associated with this program totals approximately \$814,000 in 2015-16 and \$1,629,000 in 2016-17.

**Joint Finance/Legislature:** Changes are described in separate entries and include: (a) deletion of the transfer of private onsite wastewater treatment system regulation and funding from DSPS to DNR, maintaining the program in DSPS; (b) deletion of \$76,000 environmental management account SEG annually from the well compensation grant appropriation; and (c) transferring \$320,000 in 2015-16 from the balance of the well compensation grant appropriation to the environmental management account.

### 13. CONTAMINATED SEDIMENT BONDING [LFB Paper 480]

	<b>Governor (Chg. to Base)</b>	<b>Jt. Finance/Leg. (Chg. to Gov)</b>	<b>Net Change</b>
BR	\$5,000,000	- \$5,000,000	\$0

**Governor:** Provide \$5,000,000 BR to increase, from \$32 million to \$37 million, the total amount of SEG-supported general obligation bonds authorized to pay for a portion of the costs of removal of contaminated sediment from certain water bodies. Currently, the cleanup must be from Lake Michigan or Lake Superior or their tributaries. The bill would expand eligible uses of the bonding to include projects to remove contaminated sediment from any waters of the state, if, as under current law, the project is in a water body that DNR has identified, under the federal Clean Water Act, as being impaired and the source of the impairment is contaminated sediment.

Debt service costs paid from the segregated environmental management account of the environmental fund totaled \$1,410,900 in 2013-14, and are estimated at \$1.7 million in 2015-16,

and \$2.1 million in 2016-17.

**Joint Finance/Legislature:** Delete provision.

**14. MUNICIPAL AND COUNTY RECYCLING GRANTS** [LFB 

SEG	- \$4,000,000
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 Paper 481]

**Governor/Legislature:** Delete \$4,000,000 environmental management account SEG in 2015-16 to reduce funding for the municipal and county recycling grant program from \$19,000,000 to \$15,000,000. The Act would maintain the current funding amount of \$19,000,000 for 2016-17. The program was created in 1989 Act 335 to provide grants to responsible units of local government for expenses related to operating DNR-approved effective recycling programs and complying with landfill bans on recyclable materials. The Act would maintain the current \$1,000,000 annually for the recycling consolidation grant program that provides additional recycling grant funds for certain eligible local governments. In 2013-14, DNR awarded \$20.0 million for the two programs to 1,024 local government grantees, equaling 17.5% of estimated net eligible recycling costs of \$114.2 million. The grant award averaged \$3.51 per capita, but varied substantially by municipality.

**15. CONVERT POLLUTION ABATEMENT DEBT SERVICE FROM GPR TO SEG ENVIRONMENTAL MANAGEMENT ACCOUNT** [LFB Paper 482] 

GPR	- \$4,900,700
SEG	<u>4,900,700</u>
Total	\$0

**Governor/Legislature:** Shift \$4,900,700 in 2015-16 from GPR to environmental management account SEG to pay debt service costs for bonds issued under the former water pollution abatement grant program that provided grants to municipalities for wastewater treatment system construction from 1978 to 1990. In addition, convert the SEG appropriation from sum certain to sum sufficient. 2009 Act 28 created a sum certain appropriation in the environmental management account to be used beginning in 2010-11 for \$8.0 million annually in debt service costs formerly paid from GPR. Currently, the first \$8.0 million in annual debt service costs is paid from the environmental management account, and the remainder is paid from a GPR sum sufficient appropriation. Under the Act, debt service payments for this appropriation would be estimated at \$12.9 million SEG in 2015-16, and \$7.4 million SEG in 2016-17. Estimated expenditures for 2014-15 are \$9.9 million GPR and \$8.0 million SEG. While the Act would not repeal the GPR sum sufficient debt service appropriation, expenditures would be estimated at \$0.

[Act 55 Section: 640]



**16. TRANSFER PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM REGULATION FROM DSPS [LFB Paper 484]**

	<b>Governor (Chg. to Base)</b>		<b>Jt. Finance/Leg. (Chg. to Gov)</b>		<b>Net Change</b>	
	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>
SEG	\$1,185,200	9.00	- \$1,185,200	- 9.00	\$0	0.00
SEG-REV	\$2,443,000		- \$2,443,000		\$0	

**Governor:** Provide \$395,100 in 2015-16 and \$790,100 in 2016-17 with 9.0 positions to transfer regulation of private onsite wastewater treatment systems (POWTS) from DSPS to DNR effective January 1, 2016. POWTS means a sewage treatment and disposal system serving a single structure with a septic tank and soil absorption field located on the same parcel as the structure. The administration estimates associated revenue would total approximately \$2,443,000, including \$814,000 in 2015-16 and \$1,629,000 in 2016-17, that is currently received by DSPS as program revenue for sanitary permits and private sewage system plan reviews, and is intended to be transferred to DNR to be deposited in the segregated environmental management account of the environmental fund. The bill would need to be amended to accomplish the transfer of revenue. [See the entry under "Safety and Professional Services" for a description of the deleted funding under DSPS, and a description of the transferred program.]

**Joint Finance/Legislature:** Delete provision. This would maintain POWTS regulation in DSPS.

**17. ENVIRONMENTAL ENFORCEMENT [LFB Paper 483]**

	<b>Governor (Chg. to Base)</b>		<b>Jt. Finance/Leg. (Chg. to Gov)</b>		<b>Net Change</b>	
	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>	<b>Funding</b>	<b>Positions</b>
SEG	\$600,000	0.00	- \$300,000	1.50	\$300,000	1.50
GPR	<u>0</u>	<u>0.00</u>	<u>- 300,000</u>	<u>- 1.50</u>	<u>- 300,000</u>	<u>- 1.50</u>
Total	\$600,000	0.00	- \$600,000	0.00	\$0	0.00

**Governor:** Provide \$300,000 environmental management account SEG annually for environmental enforcement of the hazardous substances spills program under s. 292.11 and groundwater activities under Chapter 160 of the statutes. The funding would be provided for salaries, including fringe benefits at the overtime rate. The appropriation has base funding of \$1,016,800 with 8.08 positions.

**Joint Finance/Legislature:** Approve the Governor's recommendation to provide \$300,000 environmental management account SEG annually for enforcement. In addition: (a) delete \$150,000 GPR annually for enforcement; (b) delete \$150,000 fish and wildlife SEG annually for enforcement; and (c) transfer 1.5 GPR and 1.5 fish and wildlife SEG enforcement positions to the environmental management SEG enforcement appropriation. The provided environmental management account SEG funding would be used for permanent salaries, fringe benefits and

supplies for the 3.0 positions that would be transferred from GPR and fish and wildlife SEG.

Finally, combine the two existing environmental management SEG enforcement appropriations into one, including s. 20.370(3)(mq) for spills and groundwater activities, and s. 20.370(3)(mr) for recycling enforcement. Amend the language of the combined appropriation to authorize it to be used for environmental provisions of Chapter 30, 160 and Chapters 280 through 299.

[Act 55 Sections: 626q and 626r]

#### 18. WELL COMPENSATION GRANTS [LFB Paper 479]

SEG	- \$152,000
SEG-REV	\$320,000

**Joint Finance/Legislature:** Delete \$76,000 environmental management SEG annually to reduce the well compensation grant appropriation from \$276,000 to \$200,000 annually to more closely align with program demand. Transfer \$320,000 in 2015-16 from the balance of the well compensation grant appropriation to the environmental management account. Finally, convert the well compensation grant appropriation from continuing to biennial. The well compensation grant program provides financial assistance for replacing, reconstructing, or treating contaminated wells that serve certain private residences or are used for watering livestock, or to pay costs of well abandonment in certain situations.

**Veto by Governor [H-104]:** Delete the conversion of the appropriation from continuing to biennial. This would maintain the current authority for DNR to carry forward the unencumbered balance of the appropriation account on June 30 of every fiscal year to be available for expenditure in the subsequent fiscal year.

[Act 55 Sections: 639g and 9232(1q)]

[Act 55 Vetoed Sections: 481 (as it relates to s. 20.370(6)(cr)), 639g, and 9232(1q)]

#### 19. PECFA PROGRAM SUNSET [LFB Paper 489]

**Governor:** Sunset eligibility for the petroleum environmental cleanup fund award (PECFA) program by specifying that a person is not eligible for PECFA reimbursement if the person: (a) did not notify DNR of the discharge and the potential for submitting a PECFA claim before February 3, 2015; and (b) does not submit a claim for the reimbursement of eligible costs before July 1, 2017.

The PECFA program reimburses owners for a portion of the cleanup costs of discharges from petroleum product storage systems (primarily gas stations) and home heating oil systems. The program is funded from a portion of a 2¢ per gallon petroleum inspection fee, which is deposited in the segregated petroleum inspection fund. The bill would maintain base funding of \$4,550,000 each year, in a biennial appropriation. In 2013-14, DNR paid PECFA awards totaling \$4.8 million. The program first paid awards in 1988, and has paid a cumulative total of \$1.53 billion for partial cleanup at 13,300 occurrences (a contiguous contaminated area resulting

from one or more discharges of petroleum products).

**Joint Finance/Legislature:** Modify the dates on which eligibility would sunset to include denial of PECFA reimbursement if a person: (a) did not notify DNR of the discharge and the potential for submitting a PECFA claim before July 1, 2017 (instead of February 3, 2015); and (b) does not submit a claim for the reimbursement of eligible costs before July 1, 2020 (instead of July 1, 2017). In addition, require that an owner or operator must submit a claim for reimbursement within 180 days after incurring the eligible costs, or by the first day of the seventh month after the effective date of the budget, whichever is later, or else these costs would no longer be eligible for reimbursement.

**Veto by Governor [H-94]:** Change the deadline for submittal of notification of the discharge and potential PECFA eligibility to DNR from "July 1, 2017" to "July 20" by deleting the first "1," and the numbers "17" in the year "2017," resulting in the Act reading "before July 20." The Governor's veto message states that the notification must be received by the Department before July 20, 2015.

[Act 55 Sections: 4212 and 4213]

[Act 55 Vetoed Section: 4213]

## **20. PECFA REVENUE OBLIGATION RETIREMENT [LFB Paper 490]**

**Governor:** Specify that if any moneys lapse from the PECFA award appropriation at the end of 2016-17, the Secretary of the Department of Administration shall ensure that an amount equal to the amount of the lapse is expended from the petroleum inspection fund, no later than December 31, 2017, to pay outstanding principal on variable rate PECFA revenue obligations. Under current law, DOA can use any undesignated petroleum inspection fund balances at any time to pay additional debt service beyond the minimum required amounts.

The state issued \$387 million in PECFA revenue obligations between 2000 and 2008 to pay PECFA claims. The obligations are paid from the petroleum inspection fund, which receives revenue from the 2¢ per gallon petroleum inspection fee imposed on petroleum products brought into the state. As of January 1, 2015, the total amount of outstanding revenue obligations (the amount the state owes in principal) was \$139.1 million. It is anticipated the remaining balance will be \$71.2 million on July 1, 2017, with the state paying off all currently outstanding long-term debt, and continuing to make interest-only payments on short-term variable rate obligations, as it has done for the past several years. The estimated minimum amounts of debt service are \$30.0 million in 2014-15, \$28.8 million in 2015-16, and \$13.3 million in 2016-17.

**Joint Finance/Legislature:** Delete provision.

## **21. AREAWIDE WATER QUALITY MANAGEMENT PLANNING FOR DANE COUNTY**

**Joint Finance/Legislature:** Make the following changes related to areawide water quality

management planning for Dane County.

a. Rename the continuing planning process DNR is required to follow under s. 283.83 (1) of the statutes (Continuing Planning Process), the "water quality management planning process" instead of the "water pollution control planning process."

b. Require DNR to approve or reject proposed revisions to the areawide water quality management plan for Dane County.

c. Require DNR to base its decision on whether the proposed revision complies with the water quality standards under s. 281.15 of the statutes (Water Quality Standards).

d. Authorize DNR to place conditions on its approval of a proposed revision to the plan.

e. Specify that DNR, or a person that DNR contracts with to provide specified advisory services, may not require information concerning a proposed revision to the areawide water quality management plan for Dane County other than information that is reasonably necessary to determine whether the proposed revision complies with water quality standards under s. 281.15.

f. Require DNR to approve or reject the proposed revision to the areawide water quality management plan for Dane County no later than the 90th day after the day on which DNR, or a person that DNR contracts with, receives the formal application for the proposed revision, including a letter from the applicant certifying that the proposed revision is consistent with water quality standards and information supporting the certification.

g. Specify that if DNR determines that the application for a revision to the plan for Dane County is incomplete, the Department would be required to notify the applicant in writing within 10 days after DNR receives the application and may make only one request for additional information during the 90-day period.

h. Specify that if DNR does not approve or reject a proposed revision to the areawide water quality management plan by the 90th day after the day on which the request is received, the revision would be considered approved on the 120th day after the day on which the Department receives the formal application for the revision, unless DNR petitions the Circuit Court for an order extending the time to act on the proposed revision. The court would be authorized to issue an order extending the time for DNR to act on the proposed revision by an amount it determines is reasonable.

i. Authorize DNR to contract with a regional planning commission or other entity to provide advisory services relating to the review of proposed revisions to the areawide water quality management plan for Dane County. Specify that DNR may not delegate its authority to approve or reject proposed revisions. Specify that the 90-day deadline to approve or reject a proposed revision to the areawide water quality management plan would not be affected by the contract.

j. Prohibit the Governor from designating, under applicable federal requirements, Dane County or any of its subunits, including the Dane County Lakes and Watershed

Commission, to develop the areawide water quality management plan for Dane County, or to review proposed revisions to the plan.

k. Prohibit DNR from contracting with Dane County or any of its subunits, including the Dane County Lakes and Watershed Commission, to provide advisory services relating to the review of proposed revisions to the areawide water quality management plan for Dane County [DNR currently contracts with the Capital Area Regional Planning Commission].

**Veto by Governor [H-103]:** Delete the provision under "j" above that would have prohibited the Governor from designating, under applicable federal requirements, Dane County or any of its subunits, including the Dane County Lakes and Watershed Commission, to develop the areawide water quality management plan for Dane County, or to review proposed revisions to the plan.

[Act 55 Sections: 4203d thru 4203m]

[Act 55 Vetoed Section: 4203m]